

# FY 2018/19 ANNUAL REPORT



CHOOSE  
*Scottsdale*

CITY OF SCOTTSDALE ECONOMIC DEVELOPMENT

# Table of Contents

- 2 Acting Director Message
- 3 Claimed Projects and Awards
- 4-5 Economic Snapshot
- 6 Business Development Efforts and Announcements
- 7 Events and Marketing

**“ To elevate, enhance and ensure Scottsdale’s sustained desirability as a place in which to live, learn, do business, work, recreate and visit.”**

## Primary Goal of Scottsdale Economic Development

### Claimed Projects

	Industry	Square Feet	Jobs YR 1
<b>Airobotics</b>	<b>Technology</b>	<b>10,500</b>	<b>25</b>
<b>AZCOWORK</b>	<b>Technology</b>	<b>12,000</b>	<b>2</b>
<b>Sendoso</b>	<b>Technology</b>	<b>15,000</b>	<b>100</b>
<b>Zillow Group</b>	<b>Technology</b>	<b>20,000</b>	<b>150</b>
<b>Anomalie</b>	<b>Technology</b>	<b>1,000</b>	<b>30</b>
<b>Frank Recruitment Group</b>	<b>Professional Services</b>	<b>10,000</b>	<b>100</b>
<b>Lemonade</b>	<b>Finance and Insurance</b>	<b>12,000</b>	<b>50</b>
<b>Diabnext</b>	<b>Healthcare</b>	<b>1,000</b>	<b>20</b>
<b>Spring Venture Group</b>	<b>Finance and Insurance</b>	<b>35,000</b>	<b>138</b>
<b>Nationwide Insurance</b>	<b>Finance and Insurance</b>	<b>460,000</b>	<b>340</b>
<b>vCORE</b>	<b>Technology</b>	<b>9,300</b>	<b>20</b>
<b>Tallwave</b>	<b>Technology</b>	<b>17,000</b>	<b>70</b>
<b>Vanguard</b>	<b>Finance and Insurance</b>	<b>127,000</b>	<b>450</b>
	<b>TOTAL</b>	<b>754,906</b>	<b>1,531</b>

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 wishing to remain anonymous are not listed but data is included in totals.

## A Message From The Acting Director



This fiscal year, 2018/19, was one of the most successful economic development years for the City of Scottsdale since the 2008 recession. As we grow our local economy, we continue to realize the results of implementing the City of Scottsdale’s 2015 Economic Development Strategic Plan. Our City Council adopted plan outlines a more diversified industry base, placing strong emphasis on ensuring Scottsdale is more isolated from economic downturns. Nearing the fifth and final year of the plan, our world and economies look much different than just five short years ago.

Technology and associated high demand employment positions continue to drive business decisions in nearly every industry. Healthcare advances are driving talent demands to double digit levels and we are more of a world economy than ever before. We will be embarking on an update to our strategic plan this fiscal year to ensure we are well positioned to attract, retain and grow companies that will drive our economy for the next several years. Our economy is ever-changing, and we need to ensure we remain a world-class community for generations to come.

This past year’s successes would not have been possible if not for the leadership, support and commitment from so many individuals. I’d like to thank the City Council and City Manager for their continued steadfast commitment to economic development. I’d also like to thank our many partners such as the Scottsdale Area Chamber of Commerce, Greater Phoenix Economic Council, Arizona Commerce Authority, SRP and APS, just to name a few, for all of their support throughout the year. And finally, thank you to our Economic Development department team who has worked tirelessly behind the scenes to make so many great things happen.

  
Rob Millar, CECD

### Awards and Recognition

The City of Scottsdale Economic Development department received a Silver Excellence in Economic Development Award for the Scottsdale Relocation Guide, in the category of Special Purpose Print Brochure from the IEDC, and a Bronze Excellence in Economic Development Award for our Fiscal Year 2016/17.



# Economic Snapshot

Over the last five years, Scottsdale has seen a continued rise in high wage occupations in its target industries.

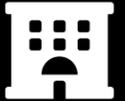
- Business & Finance Occupations**  
28% over last 5 years  
Expected increase of 12% (next 5)
- Healthcare Practitioner Occupations**  
20% over last 5 years  
Expected increase of 17% (next 5)
- Computer Related Occupations**  
34% over last 5 years  
Expected increase of 15% (next 5)
- Management Occupations**  
29% over last 5 years  
Expected increase of 11% (next 5)

(Source: EMSI Q3 2019 Data Set | www.economicmodeling.com)

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

-  **\$34.7M**  
5-year direct economic impact
-  **5,959**  
Jobs created by companies in the first 12 months of their operation
-  **448**  
Business outreach visits

## BY THE NUMBERS Q4

-  **RETAIL**  
6.1% Vacancy  
\$26.08/SF
-  **OFFICE**  
11.8% Vacancy  
\$28.65/SF
-  **INDUSTRIAL**  
2.9% Vacancy  
\$11.86/SF

(Sources: City of Scottsdale, Staff Research and Costar)

## General Demographic Characteristics

	Scottsdale	Arizona	U.S.
Median Age	48.2	37.3	38.5
Median Household Income	\$88,753	\$57,771	\$60,548
Average Household Income	\$134,621	\$81,141	\$87,398
Per Capita Income	\$62,611	\$30,183	\$33,028
Average Household Size	2.14	2.64	2.59
Median Disposable Income by Household	\$71,590	\$49,755	\$50,310
Average Disposable Income by Household	\$97,291	\$64,024	\$65,430
Median Home Value	\$459,228	\$247,346	\$234,154

(Source: ESRI Business Analyst Online 2019)

## Top Jobs in Scottsdale by Industry

	Total 2018 Jobs	2019 Location Quotient	Average Earnings per Job
Healthcare and Social Assistance	33,175	1.04	\$67,097
Accommodation and Food Services	30,193	1.38	\$29,300
Administrative and Support Services	30,181	1.87	\$51,733
Retail Trade	24,595	0.96	\$40,826
Professional, Scientific, and Technical Services	23,615	1.43	\$86,741
Finance and Insurance	22,615	2.25	\$96,290

(Source: EMSI Q3 2019 Data Set | www.economicmodeling.com)

## Top Private Scottsdale Employers in 2019

-  **6,841**
-  **3,012**
-  **3,300**
-  **2,500**
-  **2,427**
-  **1,462**
-  **1,300**
-  **719**

## Business Development Efforts and Metrics

During fiscal year 2018/19, the Scottsdale economic development department participated with material influence in the attraction, retention or expansion of 14 unique businesses representing an estimated 1,531 jobs in the first 12 months of business operations with an average wage of \$68,633 and an overall total of 2,999 jobs within the next five years.

### Airobotics chooses Scottsdale for North American HQ

Airobotics, an Israeli based automated drone company, picked Scottsdale for their North American headquarters where they plan to expand their team to 80 employees by the end of 2019. Their unmanned aerial vehicles have several uses, including with Airobotics customer BHP, the world's largest mining company. On September 25 Airobotics celebrated with a ribbon cutting ceremony at their 10,500 sq. ft. facility in which Mayor W.J. "Jim" Lane, Councilmembers and City staff participated



### vCORE Technology Partners Establishes New HQ at SkySong

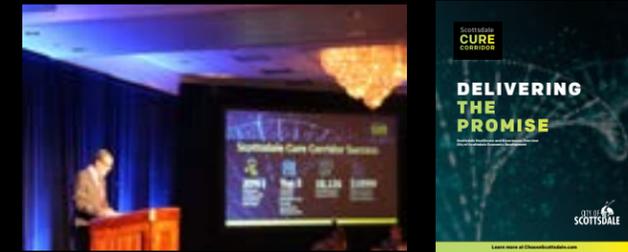
With more than 50 employees in Scottsdale and over 100 clients in Arizona, vCORE decided to remain in Scottsdale and opened their new headquarters in January 2019. vCore is at the forefront of implementing new innovative technologies into everyday business use for companies across every industry. Their decision to expand in Scottsdale is a testament to exceptional access to talent, an unparalleled quality of life and positive business environment for technology companies.



## Events and Marketing

### Sixth Annual Cure Corridor

Over 200 attendees from some of the largest names in healthcare and bioscience industries learned about cybersecurity challenges and continued growth in Scottsdale's Cure Corridor.



Event highlights include:

- Keynote speaker Stephanie Domas, V.P. of Research and Development at MedSec
- Rapid fire presentations from two local startups
- Video premier promoting Cure Corridor

### Mayor and Council Breakfast on Economic Development

The fall 2018 economic development breakfast event was headlined by keynote speaker John Zanni of Acronis, a cyber protection company headquartered in Scottsdale. More than 245 attended the event where Acronis announced plans for additional investment in the region and shortly thereafter announced the formation of Acronis SCS.



### Got A Job? Scottsdale's #1 Ranking for Jobs Reaches National Audiences

Scottsdale was named as the best city in the U.S. to find a job by WalletHub. The 2019 study cites 30 key indicators in ranking cities across the country where job seekers will have the greatest success in securing employment. Some of the key indicators utilized in the 2019 WalletHub study attributed Scottsdale's success to growing job opportunities, employment growth and median annual income.

To capitalize on this achievement, the economic development department launched the Scottsdale.Jobs campaign. The job board has been steadily growing and frequently has more than 350 unique jobs posted on the board on any given day. In addition, there were more than 6,400 unique job views during the fiscal year. We are using the ranking and recognition to promote Scottsdale as a top location of choice for those looking to live, grow a business or start a new career.



## Department Goals

	FY Total	FY Goal	% of Goal Achieved
Number of businesses recruited or retained	14	15	93%
Number of business outreach visits	85	100	85%
Number of special events and programs/attendees*	11	15	73%
Total new jobs created or retained*	1,531	1,506	102%
New capital investment	\$96,787,930	\$100,000,000	97%
Average wage of jobs created or retained*	\$68,633	\$63,812	107%
Square footage constructed or absorbed	754,906	500,000	151%
Total 5-yr direct revenue impact of projects*	\$10,625,948	\$8,000,000	133%
Total 5-yr economic impact of projects	\$3,715,540,983	\$2,000,000,000	186%
Total sessions on ChooseScottsdale.com*	16,648	15,000	111%

(Source: City of Scottsdale Economic Development Department internal goals)  
(\*FY 2018/19 City Budget Book)



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