

Economic Development

Strategies for Business Attraction, Retention and Expansion

Tempe City Council Retreat
August 12, 2016



inTempe
START . GROW . THRIVE

Mission and Vision

“The mission of Tempe’s Economic Development Department is to lead the region for innovation, entrepreneurship, sustainability and economic growth fueled by the diversity of the community and to enhance the competitive position by attracting, retaining and growing high quality jobs and investments.”



Tempe will create an environment where the most innovative companies and talent choose to Start, Grow and Thrive “inTempe”



Goals and Results:

Business Attraction and Expansion

Economic Development Goals for FY 17

- Remain a importer of net jobs per resident
- Concentration on High Wage Jobs (Wage level that exceeds the region for net new jobs per annum)
- Focus on Capital Investment (per capita vs benchmarks)
- Achieve ratings of "Very Satisfied" or "Satisfied" with "satisfaction with patrons who received services provided by the City of Tempe BRIC" and "Valley Benchmarks"

Economic Development Department End of FY 16 Results

Active Prospects

Prospects	Jobs (Phase I)	Wage	Annual Payroll	Sq Ft (Phase I)	Capital Investment
24	4,822	\$50,050	\$186,262,880	1,097,000	\$150,850,000

Company Locates/Expansions

Companies	Jobs (Phase I)	Wage	Annual Payroll	Sq Ft (Phase I)	Capital Investment
7	1,370	\$40,908	\$54,280,005	351,640	\$22,750,000



BioScience

Advanced Business Services

Advanced Manufacturing

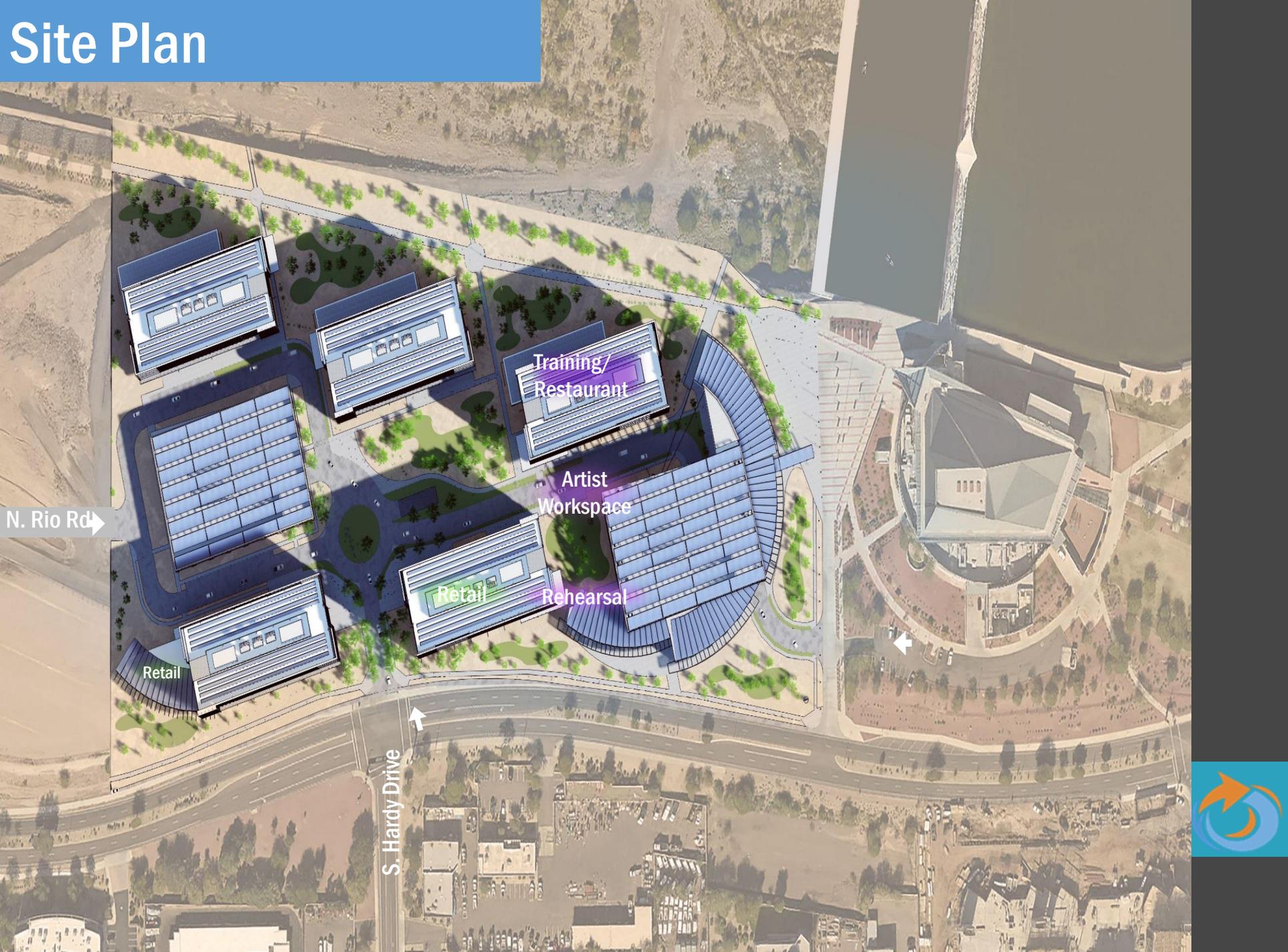
TARGETED INDUSTRY SECTORS



International Biomedical and Technology Campus (IBTC)



Site Plan



N. Rio Rd

Retail

Retail

Training/
Restaurant

Artist
Workspace

Rehearsal

S. Hardy Drive



Bioscience

Industry Strengths:

“Arizona leads the way internationally in the bioscience and health care industry, from efforts to diagnose and treat cancer and Alzheimer’s to diagnostics and medical devices”

- Work to build a strong base with companies like Medtronic, Bard Peripheral Vascular, Stryker, Sonora Quest Labs in Medical Devices and Lab Testing
- Industry needs close proximity to institutions such as ASU BioDesign
- Ensure IBTC real estate is developed in a timely manner
- Strengthen Tempe’s competitive position for biomedical and technology sectors: Promote new and existing businesses based on innovation
- Enhance Relationships with Regional, National and International Partners (ACA, GPEC, AZBio, Tech Council, ULI, Mexico and Regensburg)



Advanced Business Services

Think Local Act Global

Software/Information Technology
Financial Services/FinTech
Insurance

- Includes companies like State Farm, Wells Fargo, LifeLock, First Solar, Go Daddy etc.
- Type of companies that occupy the 19M+ sq. ft. of office space
- Improve business climate for the technology and innovation industries continue to support their network events and host special training/boot camp classes at the Business Resource and Innovation Center (BRIC) and Tempe Center for the Arts
- Create an environment that supports tech-related job retention and attraction



Advanced Manufacturing

The Backbone of the Economy:

Tempe has the second most industrial space in the Metro Area

- Companies such as L-3, Advanced Circuit, Iridium, Versum Analytical Instruments/Sensory Technology Aerospace/Defense IT Manufacturing/Semiconductor
- Arizona Commerce Authority – Technology and Manufacturing Business Outreach
 - Trade Workshop, second event to be scheduled at Tempe Center for the Arts
 - REVAZ / Export Tech Programs – Services to grow tech/Bio/Manufacturing Businesses

Manufacturing/ Flex	Vacancy Rate	5 year average	Existing SF	5 year average	Asking Rent/SF	5 year average
Tempe	7.5%	10.1%	35,967,194	35,437,511	\$8.06	\$7.30
Phoenix MSA	9.9%	11.7%	324,270,970	309,349,225	\$6.78	\$6.30



Strategies for Tempe's Existing Businesses

- **Outreach/Job Creation and Retention FY 16/17**

- Conduct 50 individual visits with Tempe companies annually
- Coordinate value-added resources/incentives for Tempe businesses
 - State tax credits and other financial incentives
 - Federal job training funds
 - Partner referrals to loan programs or hiring assistance
 - Coordination with City staff to provide seamless customer service for plan review, permitting, and other City processes
 - Provide relevant training, hiring, and event space at Business Resource and Innovation Center (BRIC)
- Fall forums at BRIC for Tempe businesses to provide input on services and programs and validate existing programming - (September 28, 2016)
- Conduct annual survey to evaluate business needs/customize programs and services
- Create CEO Network to advise Tempe Economic Development Department on needs of Tempe businesses and inform programs and services at BRIC and beyond

FY 15/16 BRE Visits (Jan-June)	New Jobs	Expansions	Industries	Small Businesses *under 500 employees
30	300	15	advanced manufacturing, advanced business services, bioscience/healthcare	20



How Can We Better Serve Entrepreneurs and Small Businesses

- **Entrepreneurship/Small Business Support**

- Offer regular entrepreneurship/start-up training through ASU Start-up School
- Host weekly/monthly business mentoring sessions via SCORE and other local experts
- Provide free collaborative co-working space at BRIC
- Feature company profiles on new website
- TPAC Design Center – Establish the first design industry incubator in Arizona

- **Talent Attraction/Development/ Youth Support**

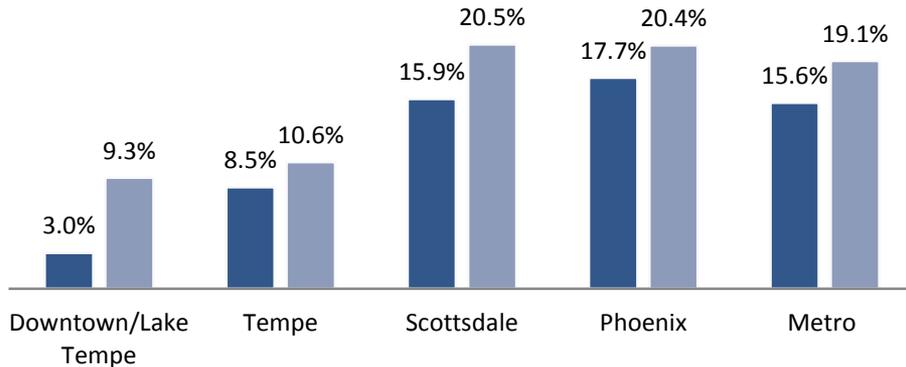
- Deliver career forums highlighting current/future opportunities with Tempe companies
- Implement Youth Entrepreneurship Boot Camp
- Career training and certification workshops – priority to Tempe residents



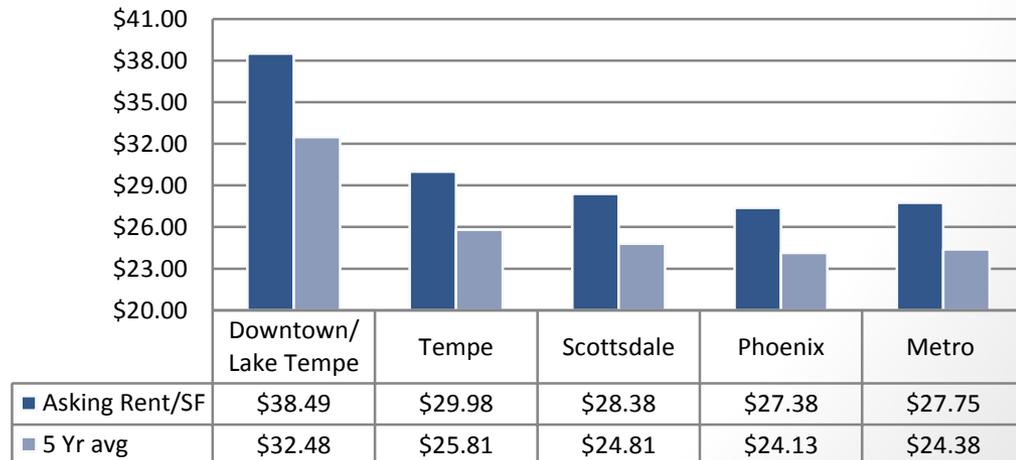
Class A Office Space Regional Comparison

Office Vacancy Rates

■ Vacancy Rate ■ 5 yr avg



Asking Rents



Questions?

START. Grow. Thrive

