



**GREATER PHOENIX ECONOMIC COUNCIL**  
**ACTION PLAN**  
FISCAL YEAR 2019



**Greater Phoenix**  
ECONOMIC COUNCIL

An aerial view of a city skyline, likely Phoenix, Arizona, featuring several prominent skyscrapers and a street view. The sky is blue with scattered clouds. The text is overlaid in white, centered on the image. The text reads: "Attract and grow quality businesses and advocate for Greater Phoenix's competitiveness." Below this, in a smaller font, is "GPEC MISSION".

Attract and grow  
quality businesses  
and advocate for  
Greater Phoenix's  
competitiveness.

*GPEC MISSION*

# A LETTER FROM CHRIS CAMACHO

*President & CEO, Greater Phoenix Economic Council*



Over the past year, we saw county, community and industry leadership join together to advance our economic position and bring new business to the region, generating a record number of jobs. Additionally, The Connected Place campaign established our region as a nationally renowned place where technology and innovation can thrive.

Even with 85 companies relocating or expanding to the region over the past two years, our work is not done.

As we enter fiscal year 2019, the Greater Phoenix Economic Council (GPEC) is committed to further advancing the region's economy by implementing strategies that drive business expansion and relocation from both national and global markets. We'll strategically implement a plan that will evolve The Connected Place identity to reflect innovation across people, place and technology. And as we continue to build on our depth of knowledge in cybersecurity, autonomous vehicles, wearables and industry 4.0, we'll empower business leaders to join us in advancing our regional position.

This next fiscal year is the final year of our three-year strategic plan. We're humbled by the achievements and energized by the opportunity to continue doing more. In order to build on the work we've started, we'll chart a path forward and set new goals to advance our competitiveness through the Modern Economy and Smart Region Plans.

Our region's story runs deeper than just being a market offering a good value to do business. Greater Phoenix is the place where talent is bred, community is built and business thrives. Join us as we advance our economy together.

# VISION

For 29 years the Greater Phoenix Economic Council (GPEC) has successfully attracted quality businesses to the Greater Phoenix region, gaining a reputation as a premier economic development organization in the country. In the FY2017-19 strategic plan, GPEC presents pragmatic and forward-looking strategies for positioning the region as a competitive environment where companies can locate and grow their business.

Our region will pivot to competing on value, not solely on low cost. Competing on value means our strategy is aligned with the global 21<sup>st</sup> century economy, which increasingly rewards regions that offer a wide range of capabilities, including workforce and talent availability, access to customers, a robust supply chain, quality infrastructure and strategic partnerships with universities and research institutions.

We will lead the effort to position the region for the next economy by working collaboratively across the public and private sectors. Together

we will be best-in-class in designing and implementing economic growth strategies that stimulate inclusive growth and shared prosperity, improving the opportunities and quality of life for all Arizonans.

**Solidify the region as a place where businesses locate and grow, creating quality jobs.**

We will selectively target markets and advanced industries that align with our region's shift towards a knowledge-based, innovation-driven economy, positioning the region as a place where companies can effectively scale their growth and create quality jobs.



Strengthen the regional model by organizing around workforce development and market intelligence through public-private partnerships and strategic alliances.

We will lead with our unique strengths – visionary leadership, strong public-private sector partnerships and research expertise – to implement an integrated advanced industry strategy, driving sustainable economic growth.

Lead policy and civic dialogue to drive consensus around economic performance objectives for advancing our region's competitiveness.

As the region's economic development experts, we will continuously assess, monitor and measure our economic performance, and advocate for policies and strategies that diversify our economy.



**BUSINESS  
ATTRACTION**

Drives Quality Job Creation

**COMPETITIVENESS**

Foundational Elements for Economic Growth





# GREATER PHOENIX ECONOMIC COUNCIL

# ACTION PLAN

## FISCAL YEAR 2019

---

Fiscal year 2019 marks the final year of GPEC's current Strategic Plan. This action plan reviews the strategies and projected outcomes outlined in the current three year Strategic Plan and the proposed activities GPEC will undertake to achieve these outcomes in fiscal year 2019. Together with the community and our partners we have made significant progress against our three year goals as we reported in our year-end summary for fiscal year 2017 and our mid-year report for fiscal year 2018. This action plan includes specific measures and milestones we will work toward in fiscal year 2019 to further demonstrate success.

# BUSINESS ATTRACTION

## STRATEGIES

---

- ↓ Attract more scalable enterprises in advanced industries
- ↓ Brand the region as a location of choice for FDI
- ↓ Refine the consultative model with a focus on specialized expertise and knowledge

## ACTIVITIES

---

- Refine predictive modeling targeting key markets and industry sectors
- Continue to strengthen relationships with key multipliers, site selectors, and CRE's through specific case studies and industry ecosystem analyses
- Expand key initiatives to engage targeted companies in key industries
- Intensify outreach to scalable start-up and early stage companies in defined industries to promote opportunities for growth in Arizona
- Expand the reach of the "The Connected Place" brand with a focus on internationally-based technology companies
- Engage European, Asian, and Canadian markets through strategic conferences and partnerships with Select USA
- Enhance coordination with technology companies in Mexico looking to expand in the US market
- Promote Greater Phoenix's unique assets to better attract international companies looking to expand to the US
- Utilize the International Leadership Council (ILC) to increase outreach to international companies and promote the brand internationally
- Develop and refine GPEC's knowledge of emerging technology sectors
- Engage local industry to enhance expertise and outreach efforts




FY19 METRICS	CONTRACT	TARGET	STRETCH
PAYROLL (IN MILLIONS)	\$380.15	\$418.17	\$480.89
JOBS	7,434	8,177	9,404
HIGH WAGE JOBS	3,261	3,587	4,125
AVERAGE HIGH WAGE SALARY	\$55,915	\$62,128	\$71,447
QUALIFIED PROSPECTS	229	252	277
QUALIFIED INTERNATIONAL PROSPECTS	38	42	46
GPEC ASSISTS	10	12	14


## PROJECTED OUTCOMES

- Increased percentage of GPEC's total locates in advanced industries
- Increased number of international prospects
- Elevated reputation of GPEC as a credible and respected "go-to" organization
- Increased number of directly sourced prospects
- Enhanced national profile of the region
- Strengthened value proposition, allowing attraction and growth of advanced industries

## MEASURES & MILESTONES

- 5% increase over fiscal year 2018 of prospects in advanced industries
- 3,587 high wage jobs coming to Greater Phoenix as a result of GPEC activity
- 42 international prospects in GPEC's pipeline
- Feature press stories about the Greater Phoenix region in top foreign and domestic media outlets
- Increased conversion rate of prospects to locates year over year
- 5% increase in direct prospect generation
- 20% increased response rate in targeted marketing campaigns
- Communities advance their preparedness to recruit new companies through the counsel of GPEC

 Engage targeted audiences through digital platforms to generate leads and establish GPEC as a thought leader

 Partner with cities to enhance local and regional infrastructure and community preparedness

- Apply digital marketing best practices, tools, and social media platforms to target key audiences, engage influencers and generate interest in the market
- Continue placement of thought leadership pieces in key foreign and domestic media outlets

- Utilize the Community Partnership Program (CPP) to enhance community strengths and enhance project readiness for our diverse community partners
- Engage the Community Building Consortium (CBC) to provide feedback to communities on issues of preparedness for projects and development
- Utilize the Economic Development Director Team (EDDT) Council to coordinate and advocate for the execution of the Modern Economy Plan
- Work with local elected officials to support GPEC's efforts to drive regional economic development

# COMPETITIVENESS

## STRATEGIES

---

- ↓ Develop and deploy a regional market intelligence system
- ↓ Engage state and federal policymakers on new and economic development competitiveness concepts
- ↓ Advocate for workforce development initiatives to support the growth of advanced industries


## ACTIVITIES

---

- Develop a locate “aftercare” process with communities to connect local leadership to key resources in the region and support continued engagement and integration into the market
- Work with communities to enhance the market intelligence program to support regional retention and expansion and locate aftercare
- Develop and disseminate data-driven narratives to educate policy makers at the federal, state, and local level about the importance of modernized economic development policy
- Utilize the Biennial Washington D.C. Executive Mission to convey key needs of the region to federal policy makers and influencers
- Support adoption of Pipeline AZ by engaging employers, educational institutions and GPEC communities
- Leverage data collected via Pipeline AZ to support regional workforce development partners



 Promote innovation and commercialization to support an advanced industry ecosystem

 Lead collaboration across peer organizations to leverage complementary assets and strengthen coordinated action

- Support the development of a Smart Region Plan that encourages the development and adoption of smart technologies that enhance the innovation capacity of the region
- Support the work of the Partnership for Economic Innovation (PEI) in developing research consortiums in key industry sectors
- Continue the Health Innovation Council's (HIC) partnership with the Co+Hoots Foundation's PERCH program to engage Health IT entrepreneurs in the region

- Align with peer groups to execute policy, workforce, and industry initiatives
- Convene peer organizations to support and advance responsible investments in P-20 education system

## PROJECTED OUTCOMES

- Increased number of data-driven actions to improve region's competitiveness
- Coordinated economic development policies that are aligned with the region's long-term development goals
- Expanded labor pool that meets industry needs
- Establishment of innovation partnerships
- A nationally recognized economic development system that is coordinated across peer organizations

## MEASURES & MILESTONES

- Develop a repository for aggregating regional business intelligence data
- Launch an aftercare program that incorporates community leadership
- Execute a PR advocacy campaign with state and local policy makers on the need for infrastructure development tools
- Action items resulting from Biennial Washington D.C. Executive Mission are successfully adopted
- Smart Region Plan is adopted by Greater Phoenix communities
- At least one pilot smart region project is launched



# BUDGET OVERVIEW

REVENUES	FY 2018 FORECAST	% OF TOTAL	FY 2019 BUDGET	% OF TOTAL	FY 2018 BUDGET	\$ CHANGE	% CHANGE
Public Funds	\$2,385,100	37.9%	\$2,577,000	41.2%	\$2,385,100	\$191,900	8.0%
Private Funds	2,697,800	42.8%	2,820,900	45.1%	2,628,900	192,000	7.3%
New Pledge Revenue	450,000	7.1%	350,000	5.6%	350,000	-	0.0%
In-Kind Pledges	218,500	3.5%	118,500	1.9%	218,500	(100,000)	(45.8%)
Events & Programs	85,000	1.3%	200,000	3.2%	100,000	100,000	100.0%
Grant Income	461,000	7.3%	182,800	2.9%	102,600	80,200	78.2%
Other	1,300	0.0%	1,300	0.0%	1,300	-	0.0%
<b>TOTAL REVENUES</b>	<b>\$6,298,700</b>	<b>100.0%</b>	<b>\$6,250,500</b>	<b>100.0%</b>	<b>\$5,786,400</b>	<b>\$464,100</b>	<b>8.0%</b>

OPERATING EXPENDITURES							
Business Development	389,400	6.2%	395,300	6.0%	389,400	5,900	1.5%
Marketing & Communications	330,600	5.3%	536,000	8.1%	330,600	205,400	62.1%
Research & Strategy	217,200	3.5%	225,000	3.4%	222,000	3,000	1.4%
Engagement & Public Affairs	299,800	4.8%	120,300	1.8%	201,800	(81,500)	(40.4%)
Other Initiatives	63,000	1.0%	80,400	1.2%	101,600	(21,200)	(20.9%)
Administration/Operations	411,700	6.6%	444,200	6.7%	394,200	50,000	12.7%
Personnel	3,633,000	57.9%	3,781,500	56.9%	3,424,100	357,400	10.4%
Facilities	665,400	10.6%	728,500	11.0%	760,900	(32,400)	(4.3%)
In-Kind	118,500	1.9%	-	0.0%	118,500	(118,500)	(100.0%)
Events & Programs	99,000	1.6%	280,000	4.2%	120,000	160,000	133.3%
<b>TOTAL OPERATING EXPENDITURES</b>	<b>6,227,600</b>	<b>99.2%</b>	<b>6,591,200</b>	<b>99.2%</b>	<b>6,063,100</b>	<b>528,100</b>	<b>8.7%</b>

NON-OPERATING EXPENDITURES							
Grant Expenses	50,000	0.8%	50,000	0.8%	50,000	-	0.0%
<b>TOTAL EXPENSES</b>	<b>\$6,277,600</b>	<b>100.0%</b>	<b>\$6,641,200</b>	<b>100.0%</b>	<b>\$6,113,100</b>	<b>\$528,100</b>	<b>8.6%</b>
<b>NET GAIN (LOSS)</b>	<b>\$21,100</b>		<b>\$(390,700)</b>		<b>\$(326,700)</b>	<b>\$(64,000)</b>	
Less: Capital Expenditures	(\$530,000)		(40,000)		(15,000)	490,000	
Amortization of Deferred Rent	312,000		(86,000)		(45,400)	(398,000)	
Add: Depreciation	331,000		372,900		319,500	41,900	
Add: Allowance for Doubtful Accounts	60,000		25,000		25,000	(35,000)	
Changes from Operating Activities	(1,500)		1,100		(1,800)	2,600	
Net Cash Flows	192,600		(117,700)		(44,400)	(310,300)	
Beginning Cash	2,379,600		2,572,200		2,379,600	192,600	
<b>ENDING CASH</b>	<b>\$2,572,200</b>		<b>\$2,454,500</b>		<b>\$2,335,200</b>	<b>\$(117,700)</b>	



ERNST & YOUNG

Hotel  
SAN CARLOS

Monroe

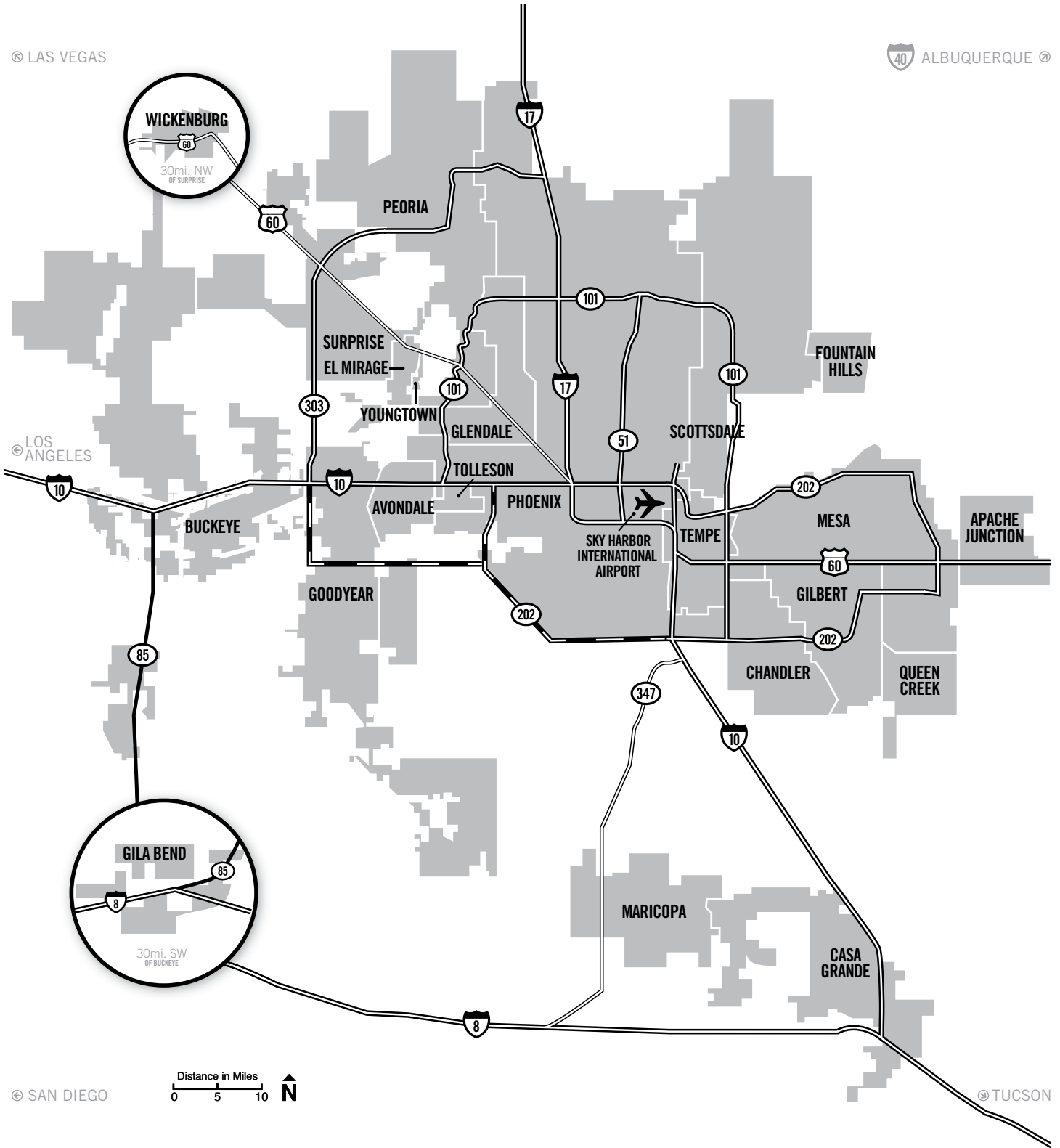
BONJOUR VIETNAM



# MEMBER COMMUNITIES

© LAS VEGAS

40 ALBUQUERQUE



© SAN DIEGO

© TUCSON



# OUR INVESTORS

Current as of 05/12/2018

## CHAIRMAN'S COUNCIL



## CORPORATE COUNCIL



## EXECUTIVE COUNCIL



## DIRECTORS' COUNCIL

American Airlines	Chicanos Por La Causa	Freeport McMoRan Copper & Gold	MidFirst Bank	Quarles & Brady
Arizona Cardinals	CBRE	Goodwill of Central Arizona	Mortenson	RED Development
Arizona Diamondbacks	Cousins Properties	Intel Corporation	Northern Trust	Republic Media
Bank of America	Dignity Health	Kitchell	OH Partners	Squire Patton Boggs
Banner Health	DMB Associates	Knight Transportation	Perkins Coie LLP	University of Phoenix
BBVA Compass	Empire Southwest	Maracay Homes	Phoenix Suns	Valley Metro
Cancer Treatment Centers of America	Ernst & Young	Mayo Clinic	Polsinelli PC	

## LEADERSHIP COUNCIL

Aetna	Cushman & Wakefield	Honeywell	Opus Development Company	Tratt Properties
Alexander Building Company	D.L. Withers Construction	JE Dunn Construction	Phoenix Children's Hospital	TriWest Healthcare Alliance
Atmosphere Commercial Interiors	Daedalus Real Estate Advisors	Jones Lang LaSalle	Renaissance Companies	TruPath
BDO	Deloitte	Kutak Rock	Rose Law Group	Turner Construction
Blue Cross Blue Shield of Arizona	Deutsch Architecture Group	Layton Construction	Ryan Companies	University of Arizona
BMO Harris Bank	El Dorado Holdings	Lee & Associates	Savills-Studley	UPS
Bryan Cave	Equity Health	Lewis Roca Rothgerber	Siemens	USAA
Brycon Construction	Gammage & Burnham	Liberty Property Trust	Skanska USA Building	US Bank
Caliente Construction	Goodmans Interior Structures	Mainstreet	SmithGroup	VanTrust Real Estate
Celgene Corporation	Green Loop Solutions	M+W Group	Snell & Wilmer	ViaWest Group
CenturyLink	Hensley	Meritage Homes	Southwest Gas Corporation	Ware Malcomb
Colliers International	Hines	Nationwide Realty Investors	Southwest Airlines	Weitz Company
Crescent Crown Distributing	Homeowners Financial Group	Newmark Grubb Knight Frank	Sunbelt Holdings	Wespac Construction
		Okland Construction	The Plaza Companies	Willmeng Construction
			Transwestern Commercial Services	Wist Office Products

## AMBASSADOR

3rd Story Architecture	Bristol Global Mobility	Coe & Van Loo Consultants	IRIS USA	Midwestern University
Air Products & Chemicals	Bury	Corporate Interior Systems	Johnson Carrier	MSS
Archicon L.C. Architecture	Centlar	CoStar Group	Keyser	On Q Financial
Arizona Business Bank	Central Arizona Commerce Park	Dircks Moving & Logistics	KTAR	Osborn Maledon
Arizona Community Foundation	CKS Advisors	DIRTT	Landmark Companies	Resolution Copper Mining
Avnet	Clarius Partners	Grant Thornton	Macerich	St. Clair Technologies
BNSF	Clark Hill PLC	Holualoa Companies	Merit Partners	Sunstate Equipment Company



**Greater Phoenix**  
ECONOMIC COUNCIL

2 N. CENTRAL AVE. | SUITE 2500 | PHOENIX, AZ 85004 | TEL. 602.256.7700 | GPEC.ORG

