



# Pima County FY 15-16 July 1<sup>st</sup> 2015 – June 30 2016

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## Measuring Success

*FY 15-16 Performance Metrics: July 1<sup>st</sup> – June 30<sup>th</sup>*

	Target	YTD	% to Goal
<b>Number of Jobs Facilitated</b>	2000	2381	119%
<b>Number of Jobs/Targeted Industries (Target 40%)</b>	800	416	52%
<b>Number of Qualified Projects</b>	110	94	82%
<b>Earned Media Reach</b>	3 mm	13,844,523	461%

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## **Announcements: Business Attraction & Expansion**

### **Project Curvature – World View, Inc.**

**Project Type: Expansion**

**Industry Sector: Aerospace & Defense**

New company that will focus on space tourism and will establish new headquarters (new building and utilizing 25 acres on the Pima County A&D Park property). County is very interested in this project, offering constructing a building with a very competitive lease back option for World View. Vote at the BOS went through on Tuesday, January 19<sup>th</sup>, Tucson won over New Mexico and Florida. Three to five year projections anticipate 448 new high-wage jobs with an average salary of \$47,000 and \$40 million in capital expenditure. Estimated economic impacts are \$ 384 million.

### **Project Geppetto – Geoworld USA, LLC**

**Project Type: Attraction**

**Industry Sector: Manufacturing**

This Italian-based company is looking to relocate their World Headquarters from Italy to Southern Arizona. Geoworld now operates in four business areas: educational toys, jewels in semiprecious stones, furnishing accessories, and publishing. All business sectors have developed in a consistent manner, thanks to a thorough knowledge of the characteristics of the raw materials: stones and fossils. Currently the company operates facilities in Italy, Hong Kong, and China. The new world headquarters in Tucson will bring 25 jobs and estimated economic impacts are \$ 28 million.

**Project Alabaster - ADP****Project Type: Attraction****Industry Sector: Advanced Services**

ADP is a well-known Fortune 500 global provider of cloud-based human capital management systems. The company plans to hire 450 employees. Total economic impact is \$485 million.

**Project Math – Mathematica****Project Type: Attraction****Industry Sector: Other – Policy Research**

Mathematica's main focus is the innovation of programs to evaluate policy research. The company is expected to hire 75 new employees. Economic impacts are estimated at \$35 million.

**Project W – GW Plastics****Project Type: Expansion****Industry Sector: Manufacturing**

GW Plastics is a global leader in plastic injection molding. The company plans to add 70 employees to their Tucson operations. Economic impacts are estimated at \$38 million.

**Project Rich – Tucson Medical Center****Project Type: Expansion****Industry Sector: Bio/Healthcare**

Tucson Medical Center is expanding their Tucson operations. The company is expected to hire 61 employees. Economic impacts are estimated at \$60 million.

**Project ER16 – Dignity Health Urgent Care****Project Type: Attraction****Industry Sector: Bio / Healthcare**

Dignity Health Urgent Care is opening a freestanding urgent care facility in Queen Creek, Pinal County. The company is expected to hire 35 new employees. Economic impacts are projected at \$23 million.

**Project Otto – Otto Environmental Systems****Project Type: Expansion**

**Industry Sector: Manufacturing**

Otto Environmental Systems, a manufacturer and service provider in the collection and container industry, is estimated to hire 32 new employees. Total economic impact of nearly \$9 million.

**Project Color – Dream in Color****Project Type: Attraction****Industry Sector: Manufacturing**

Dream in Color relocated its East Coast yarn-coloring operation to Tucson. The company is expected to hire 10 employees. Economic impacts are estimated at \$6.8 million.

**Project Turbine – Arizona Turbine Technology****Project Type: Expansion****Industry Sector: A&D**

Arizona Turbine Technology is an energy-production technology created by the leaders of Tucson Embedded Systems. The company will hire 22 employees and spend between \$6-8 million in Capital Investment. Economic impacts are estimated at \$48 million over five years.

**Project Mouse – Truly Nolen****Project Type: Expansion****Industry Sector: Other**

Truly Nolen, a Tucson- based pest control company, established a state of the Art training facility in Tucson where employees can take their lessons from the classroom and apply it to reality. The company is expected to hire 70 employees. Economic impacts are estimated at \$34.4 million.

**Project – International Towers****Project Type: Expansion****Industry Sector: A&D**

International Towers Inc. manufactures and erects towers and antennas worldwide for broadcasters, cellular providers and governments. The company is expected to hire 130 employees. Economic impacts are estimated at \$48 million.

**Project Insulation– Applegate Insulation Technology****Project Type: Attraction****Industry Sector: Manufacturing**

Applegate Insulation is the world's largest family -owned manufacturer of cellulose insulation products. The company is expected to hire 50 employees. Economic impacts are estimated at \$69 million.

**Project Coled – Caterpillar Inc.****Project Type: Attraction****Industry Sector: Energy/ Natural Resources**

Caterpillar, the world's leading manufacturer of construction and mining equipment, will relocate their Service & Mining HQ to Tucson. The company is expected to hire 635 employees. Economic impacts are estimated at \$1.9 billion over 10 years.

**Project Holland – New Holland Agriculture****Project Type: Attraction****Industry Sector: Other**

New Holland is a global brand of agricultural machinery like tractors, combine harvesters. The company is expected to hire 25 employees. Economic impact is estimated at \$20 million.

**Project Urgent – Urgent Care Extra****Project Type: Attraction****Industry Sector: Bioscience/ Healthcare**

Urgent Care Extra is opening a freestanding urgent care facility in San Tan Valley, Pinal County. The company is expected to hire 25 new employees. Economic impacts are projected at \$16.5 million.

**Project Sheffield – Sheffield Lubricants****Project Type: Attraction****Industry Sector: Manufacturing**

Sheffield Lubricants LLC's proven technology recycles used lubricating oil into valuable products including lean base oil, gasoline, and diesel fuel. The company is expected to hire 30 new employees. Economic impacts are estimated at \$82.9 million.

**Project SMRT – Samsung Smart Things****Project Type: Expansion****Industry Sector: Other**

Samsung Smart Things allows you to control your smart devices with a simple tap, and automate your home to react to your unique preferences. The company is expected to hire 80 employees. Economic impacts are estimated at \$38.6 million.

**Project Solvent – HTG Molecular****Project Type: Expansion****Industry Sector: Bio/ Health**

HTG Molecular is developing proprietary gene expression assays for a variety of tissue types and disease states. The company is expected to hire 13 new employees. Economic impact is estimated at \$66.9 million.

**Project Dolphin – Bayview Asset Management****Project Type: Attraction**

**Industry Sector: Advance Services**

Bayview Asset Management is a mortgage investment firm focused on investments in mortgage credit. The company is expected to hire 95 new employees. Economic impact is estimated at \$139.8 million

- **Number of successful projects:** **20**
- **Projected new jobs (w/o multiplier)** **2,381**
- **Projected Capital Investment** **\$159M**
- **Projected new jobs in targeted Industries** **1,239**
- **Economic and fiscal impact** **\$2.43B**

**Pro-Active Lead Generation Highlights**

*Highlights: July 1<sup>st</sup> 2015 – December 31<sup>st</sup> 2015*

***Business Attraction*****Vancouver, Canada: Sales Mission**

Sun Corridor Inc. joined a statewide delegation of Economic Development partners on a sales trip to Vancouver, Canada. The purpose of the trip was to promote Southern Arizona as a location of choice to targeted prospects and key multipliers in the Vancouver region.

**California: Sales Mission – Project Golden Eagle**

Sun Corridor Inc. led a delegation to California to meet with Project Golden Eagle Corporate Leadership and tour its facility. Meetings provided understanding of the needs of the prospect and the potential to relocate the company's headquarters to Southern Arizona. Sun Corridor Inc. subsequently hosted key leaders, both within the company and regionally, for further discussions in the Southern Arizona region.

**Philadelphia, PA: Site Selector Guild Annual Forum & Site Selector Visits**

Sun Corridor Inc. led a Southern Arizona delegation to the national Site Selectors Guild Fall Forum in Philadelphia for one-on-one meetings with 20 guild members. In addition, delegation members met with representatives of KPMG to discuss the Comcast Attraction Project and advise on Tax Incentive Program application processes. Presentations with Ernst and Young positioned Southern Arizona's competitive assets with additional key decision makers. These discussions resulted in the exchange of follow up information about the FTZ and AZ Qualified Facilities Tax Credit programs.

**Los Angeles, CA: Site Selector Visits & Company Visits**

Sun Corridor Inc. coordinated a joint sales mission targeting California-based tax advisors and site selectors, as well as prospective companies. These meetings resulted in the addition of 3 qualified projects to the Sun Corridor Inc. pipeline.

**Nashville, TN: Site Selector Guild Annual Conference**

Sun Corridor Inc. not only had the opportunity to have one-on-one conversations with many of the guild members, but also learned about the opportunities for the host community for the upcoming 2017 Annual Conference in Tucson, AZ.

**Orange County, CA: A & D CEO Forum**

Sun Corridor Inc. was invited to speak at the last A & D Forum to present what a progressive community can do based on the recent World View success.

**Upcoming Sales Missions**

Chicago, IL: Site Selector Sales Mission

Hanover, Germany: Automation Trade Show and company visits.

***Business Expansion*****Nogales, AZ: Business Outreach**

Sun Corridor Inc. staff toured a number of facilities and companies with the Director of Economic Development for the Town of Nogales. This resulted in one qualified project added to the Sun Corridor Inc. pipeline.

**Southern Arizona: Business Outreach**

Sun Corridor Inc. staff has reached out to and met with over 60 companies since July 2015. This outreach has resulted in 15 qualified projects and seven successes. A majority of the meetings have been completed in partnership with the Arizona Commerce Authority, Pima County and municipalities throughout Southern Arizona. These discussions have exposed many companies to State and local programs that benefit their bottom line.

The following is a list of companies located and established within the Southern Arizona region that Sun Corridor Inc. staff met with:

- Accelerate Diagnostics
- ADP
- AGM Container Control
- Airtronics
- Alpha ProTech (Nogales)
- Amphenol Optimize (Nogales)
- Apollo Robotics
- Arcadia
- Arizona Petroleum
- Aztera
- Bank of America
- Banner Health
- Bluespan Wireless
- Bracker's (Nogales)
- C3 Communications
- CBRE
- Central Arizona College
- Chamberlain

- CitiGroup
- Concord Construction
- C-PATH
- El Rio Community Health Center
- Fiesta Canning (Douglas)
- GEICO
- Growers House
- HealthTrio
- Industrial Tool, Die & Engineering
- International Towers
- IOTA Engineering
- JE Dunn
- Nextrio

## **Capacity Development Highlights**

*Highlights: July 1<sup>st</sup> 2015 – March 31<sup>st</sup> 2016*

### **Executive Mission to Washington, D.C.**

Chair Denny Minano led a 35-member delegation Sun Corridor Inc. Executive Mission to Washington, D.C. October 19-22, 2015. The purpose of this trip was to inform the policy makers in Washington of our needs and unique assets, educate our leadership in Southern Arizona on the priorities and inner workings of the Federal Government, and promote our megaregion and our competitive position related to trade, infrastructure and national defense. The visit was successful in accomplishing those goals in addition to building connections among the individuals who attended the mission. Highlights of the trip included:

- Meeting with the Assistant Secretaries of the Air Force and Army who oversee installations. The basic message was one of complete support for Davis-Monthan AFB and Ft. Huachuca, and ways to position our installations to survive a BRAC round expected in 2019.
- Meeting with the former Ambassador of Mexico and other high-level Mexican Embassy officials and consultants to discuss ways in which Southern Arizona can maximize relationships and trade with our Southern neighbor.
- Meeting with our Congressional Representatives to demonstrate the alliances within the Southern Arizona business community and to discuss the current priorities on Capitol Hill.

### **Region Selected for Site Selectors Guild Conference**

In November Sun Corridor Inc. was chosen to be the administrator for the March 2017 Site Selectors Guild annual conference, to be held for the first time in Tucson. This prestigious conference, attended by the top site selectors in the world, will showcase our assets to this important audience of key decision makers for companies looking to relocate and expand their business operations.

### **Infrastructure Committee**

John Brauneis, Vice President of Supply Chain for Raytheon Missile Systems, was named the new chair of Sun Corridor Inc.'s Infrastructure Committee and organized a

committee meeting recently to outline the priorities for 2016. Moving forward, the committee will focus on identifying funding mechanisms to construct high priority infrastructure items such as:

- The Sonoran Corridor
- Aerospace and Defense Research Park, and I-11
- Deliver a cohesive message, as ADOT travels the state early next year, to garner input from communities on infrastructure needs
- Work with communities throughout Southern Arizona to unite infrastructure plans and initiatives

### **Sector Partnerships as follow-up to Blueprint Update**

The first recommendation in the 2014 TREO Blueprint Update titled *Align to Demand* states, “Enhanced industry/education structures must focus on developing skills the industry sectors need to become more competitive.” In September 2014, TREO held a forum in partnership with the Workforce Investment Board to further investigate the establishment of Sector Partnerships and how they could act as a vehicle to provide the aforementioned enhanced structures. A year later, we have worked with industry to establish a Construction and Design Sector Partnership, an Aerospace & Defense Sector Partnership, and a Healthcare Sector Partnership. We are working with BLCSA to incorporate sector partnership principles as a part of their goals moving forward.

### **Foreign Trade Zone Designation – HomeGoods, Inc.**

Sun Corridor Inc. guided HomeGoods, Inc. through the FTZ Designation application. Due to the change in the Alternative Site Framework model a few years ago, we were able to have the site designated within 2 weeks.

### **Industrial Property Inventory/Utilities Assessment**

Last fiscal year, Sun Corridor Inc. took the lead on developing a map of industrially zoned properties/parcels over 100 acres in size. We partnered with the County to start discussions with all of the local utility providers to determine the cost and amount of time it will take to increase the “shovel readiness” of the properties we designate as critical employment zones. Our goal is to create a baseline understanding of the time and cost for small, medium, and large projects, particularly as it relates to the Pima County Aerospace and Defense Park.



## **Assistance with Marketing Pima County Properties**

*Highlights: July 1<sup>st</sup> 2015 – March 31<sup>st</sup> 2016*

The SCI team presented Pima County properties to representatives of the following projects during the reporting period. Typically the SCI team presents an initial package of information related to Pima owned properties, and coordinates meetings with appropriate Pima staff to gather additional and detailed information related to those properties.

### **Project Golden Eagle**

Sector: Bio Sciences

Potential Employees: 200

Estimate Capital Investment: \$20 million

Potential Economic Impact: \$90 million

Property Focus: Downtown

### **Project Curvature – World View Inc.**

Sector: A&D

Potential Employees: 448

Cap Investment: \$47.3 million

Potential Economic Impact: \$875 million

Property Focus: Downtown, Pima Aerospace and Defense Park

### **Project Coled – Caterpillar Inc.**

Sector: Mining

Potential Employees: 635

Cap Investment: \$100 million

Potential Economic Impact: \$900 million

Property Focus: Downtown, Pima Aerospace and Defense Park/Rio Nuevo

### **Project Falcon III**

Sector: A&D

Potential Employees: 600-1000

Cap Investment: \$170 million

Potential Economic Impact: TBD

Property Focus: Downtown/Rio Nuevo

## ***Forums & Conferences***

The SCI team led, organized, and participated in the following forums and conferences as a part of its effort to market and promote Pima County owned properties.

### **Los Angeles Aerospace & Defense Forum**

The SCI team presented County properties during this forum. The presentation included locations, talent offerings, and other firms in the area. SCI also discussed the creative "outside the box" regional leadership in economic development.

## **Deloitte Consulting – Brussels, Belgium**

SCI presented to Deloitte Consulting, one of the largest site selector firms in the world, in their Brussels office. Deloitte Consulting's strategy and operations practice works with senior executives to solve their toughest and most complex problems by bringing an approach to executable strategy that combines deep industry knowledge, rigorous analysis, and insight to enable confident action.

During the trip, SCI discussed the creative "outside the box" regional leadership in economic development based on Project Curvature. Presented possibilities of county-owned property for potential global logistics company.

## **Hannover Industrial Trade Show and Berlin Sales Mission – April 25-29, 2016**

One of the SCI team, fluent in German, attended the world's leading Trade Fair for Industrial Technology.

SCI attended and presented County owned properties at Hannover Messe 2016, a leading industrial and innovation conference, with over 465 exhibitors and thousands of attendees from the USA and Europe.

## **Industrial Zoned, 100+ Acre Parcels**

The SCI team assembled a group of 50-60 brokers, land owners, utility representatives and community leaders to identify industrially zoned parcels over 100 acres in the Tucson region. The effort resulted from an increase in demand for such parcels and the desire to present and market Pima-owned parcels as a response to that demand. SCI is seeing an increase in projects that require over 100 acres and a higher level of infrastructure and development to be selected for build to suit opportunities.

Participants: 50-60

Profile of the type of attendees: Real estate brokers, utilities, State land department and economic development professionals, business advocacy organizations, developers, government agencies.