SEPTEMBER 24, 2019

THE ACA & GROWING ARIZONA’S ECONOMY

PHM 2019 Conference
The mission of the Arizona Commerce Authority is to grow and strengthen Arizona's economy and facilitate the creation of quality jobs for its citizens by attracting and supporting business in high-growth industries throughout the state. Why? Because a vibrant, diverse, state-wide economy means increased opportunities for our citizens.

**ACa MISSION**

It's about helping people.

**ATTract**
Recruit out-of-state and international companies to establish operations in Arizona

**EXPAND**
Work with existing Arizona Companies to grow their businesses here and beyond

**CREATE**
Partner with entrepreneurs to create new Arizona businesses in targeted industries
FIVE-YEAR GOALS

**JOB CREATION**
Lead efforts to create 80,000 projected new jobs with a focus on high-wage target industries.

**WAGE GROWTH**
Increase average wage of the jobs created to 150% of the state’s 2017 median wage.

**CAPITAL INVESTMENT**
Attract $7 billion in capital investment to Arizona.

**ENTREPRENEURIAL VITALITY**
Elevate Arizona to a top-five state as measured by entrepreneurial density, funding and connectivity.

**INCREASED EXPORTS**
Expand export revenues across target industries by 25% over five years.
INDUSTRIES & MARKETS

The ACA has strategically chosen to focus on developing six established industries:

- AEROSPACE & DEFENSE
- BIOSCIENCE & HEALTH CARE
- BUSINESS & FINANCIAL SERVICES
- FILM & DIGITAL MEDIA
- MANUFACTURING
- TECHNOLOGY & INNOVATION

Today’s global economy presents strategic opportunities and markets for Arizona’s products, services and ideas:

- CALIFORNIA
- MEXICO
- CANADA
- EUROPE
- ASIA
ACA FY ‘19 RESULTS

- 105 PROJECTS
- 24,422 NEW JOBS
- $66,000 AVG. WAGE
- $2.6B CAPITAL INVESTMENT

Results are 5-year projections
## FY '20 Q1 YTD RESULTS

<table>
<thead>
<tr>
<th>Projects</th>
<th>New Jobs</th>
<th>Average Wage</th>
<th>CAPEX</th>
</tr>
</thead>
<tbody>
<tr>
<td>34</td>
<td>8,037</td>
<td>$58,133</td>
<td>$975M</td>
</tr>
</tbody>
</table>

### By Jobs

<table>
<thead>
<tr>
<th>Region</th>
<th>Jobs</th>
<th>CAPEX</th>
</tr>
</thead>
<tbody>
<tr>
<td>Southwest</td>
<td>3,791</td>
<td>$652M</td>
</tr>
<tr>
<td>Southeast</td>
<td>1,350</td>
<td>$14M</td>
</tr>
<tr>
<td>Midwest</td>
<td>1,355</td>
<td>$234M</td>
</tr>
<tr>
<td>California</td>
<td>920</td>
<td>$25M</td>
</tr>
<tr>
<td>East</td>
<td>508</td>
<td>$34M</td>
</tr>
<tr>
<td>International</td>
<td>113</td>
<td>$16.5M</td>
</tr>
</tbody>
</table>

### By Projects

<table>
<thead>
<tr>
<th>Region</th>
<th>Projects</th>
<th>New Jobs</th>
<th>CAPEX</th>
</tr>
</thead>
<tbody>
<tr>
<td>Southeast</td>
<td>113</td>
<td>508</td>
<td>920</td>
</tr>
<tr>
<td>California</td>
<td>508</td>
<td>1,355</td>
<td>1,350</td>
</tr>
<tr>
<td>East</td>
<td>508</td>
<td>1,355</td>
<td>1,350</td>
</tr>
<tr>
<td>International</td>
<td>113</td>
<td>508</td>
<td>508</td>
</tr>
</tbody>
</table>

### Target Industries

<table>
<thead>
<tr>
<th>Industry</th>
<th>By Jobs</th>
<th>By Projects</th>
</tr>
</thead>
<tbody>
<tr>
<td>Business &amp; Financial Services</td>
<td>46%</td>
<td>21%</td>
</tr>
<tr>
<td>Technology &amp; Innovation</td>
<td>25%</td>
<td>29%</td>
</tr>
<tr>
<td>Consumer Products &amp; Services</td>
<td>11%</td>
<td>21%</td>
</tr>
<tr>
<td>Bioscience &amp; Healthcare Care</td>
<td>10%</td>
<td>12%</td>
</tr>
<tr>
<td>Aerospace &amp; Defense</td>
<td>4%</td>
<td>12%</td>
</tr>
</tbody>
</table>

ARIZONA Commerce Authority
FOUNDATION FOR SUCCESS

#3
ARIZONA RANKS 3RD IN THE NATION FOR PERSONAL INCOME GROWTH

#3
ARIZONA RANKS 3RD FOR ECONOMIC MOMENTUM IN THE U.S.

#4
ARIZONA RANKS 4TH FOR STARTUP ACTIVITY IN THE NATION

#5
ARIZONA RANKS 5TH BEST STATE FOR GROWTH PROSPECTS IN 2019

1ST
IN THE NATION FOR POPULATION GROWTH
MARICOPA COUNTY

2ND
FASTEST GROWING CITY IN THE U.S.
PHOENIX

4TH
FASTEST GROWING STATE IN THE NATION
ARIZONA

5TH
LARGEST CITY IN THE U.S.
PHOENIX
WHY ARIZONA?
PRO-INNOVATION POLICIES

- Automated Vehicles
- Home Sharing
- 5G Technology
- FinTech Sandbox
- PropTech Sandbox
- Cybersecurity
- Ride Sharing
- Unmanned Aircraft Systems (UAS)
INSTITUTE FOR AUTOMATED MOBILITY

A consortium of private sector companies, public officials and university research faculty that will collaborate on state-of-the-art research and testing in Arizona.

AN OPPORTUNITY FOR INNOVATION

$61 BILLION
EXPECTED R&D SPEND IN AUTOMATED VEHICLES BY 2013

$200 BILLION
EXPECTED GLOBAL ADMINISTRATIVE SAFETY SYSTEM MARKET REACH BY 2026
PRO-BUSINESS ENVIRONMENT

676 REGULATORY BURDENS ELIMINATED

$48 M IN LOST PRODUCTIVITY SAVED
STRATEGIC LOCATION

130K MILES OF HIGHWAY
85M CONSUMERS REACHED
40 PUBLIC TRANSIT SYSTEMS
6 PORTS OF ENTRY WITH MEXICO

SKYBRIDGE ARIZONA
1ST INTERNATIONAL AIR CARGO HUB TO HOUSE BOTH MEXICAN AND UNITED STATES CUSTOMS

6TH LARGEST ECONOMY CALIFORNIA
12TH LARGEST ECONOMY TEXAS
18TH LARGEST ECONOMY MEXICO
TOP TALENT

3.3 M
ARIZONA LABOR FORCE

37.4
MEDIAN POPULATION AGE
WORLD-CLASS EDUCATION

ASU RANKED

#1

132 UNIVERSITIES & COLLEGES

219 TECHNICAL SCHOOLS

470,000+ ENROLLED STUDENTS

MOST INNOVATIVE IN THE NATION 5 YEARS IN A ROW
EXCEPTIONAL QUALITY OF LIFE

7
PROFESSIONAL
SPORTS TEAMS

400+
GOLF
COURSES

9
JAMES
BEARD CHEFS

5
WINERIES SCORED
90+

300+
SUNNY DAYS
PER YEAR

22
NATIONAL PARKS
MONUMENTS & PRESERVES
THANK YOU