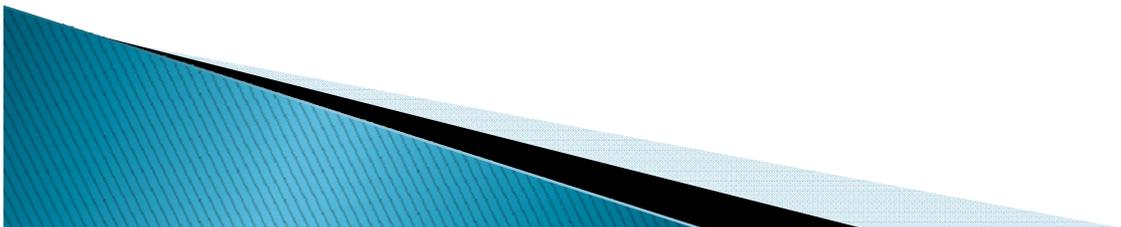




iMesa Economic Development Overview

July 27, 2011

William J. Jabjiniak





Areas of Emphasis

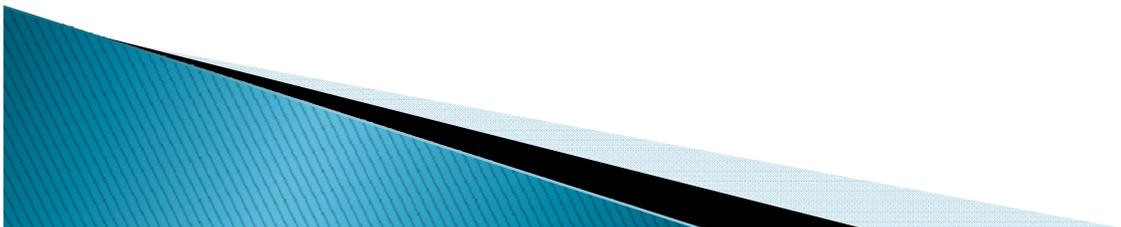
1. What is Economic Development
2. H.E.A.T Initiative
3. Economic Development Achievements
4. iMesa Initiatives
5. The Current and New Economy



What is Economic Development

The traditional definition of Economic Development is the process through which localities enhance the quality of life of their residents by creating new community and business wealth.

- ✓ Advancing private enterprise
- ✓ Making productive use of local resources
- ✓ Creating high-quality jobs
- ✓ Generating new personal income
- ✓ Broadening the tax base

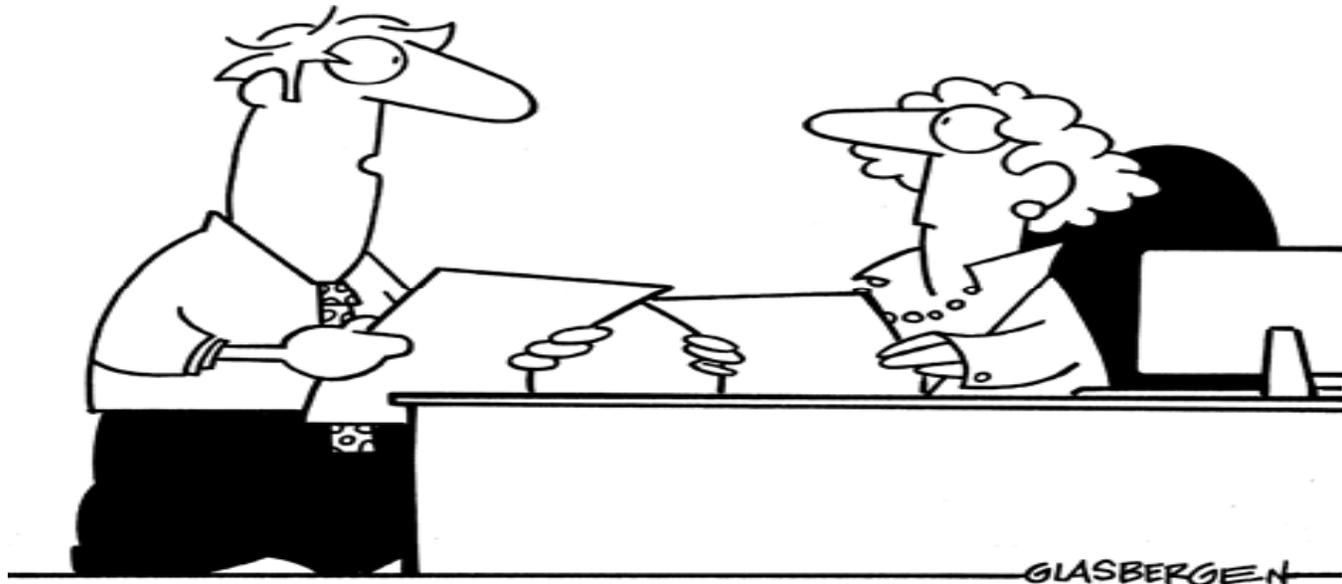




Mesa's Economic Development Definition

Whatever it takes to get the deal done!

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"I can complete the project under budget and ahead of schedule, but you'll need to allocate additional time and money for that."

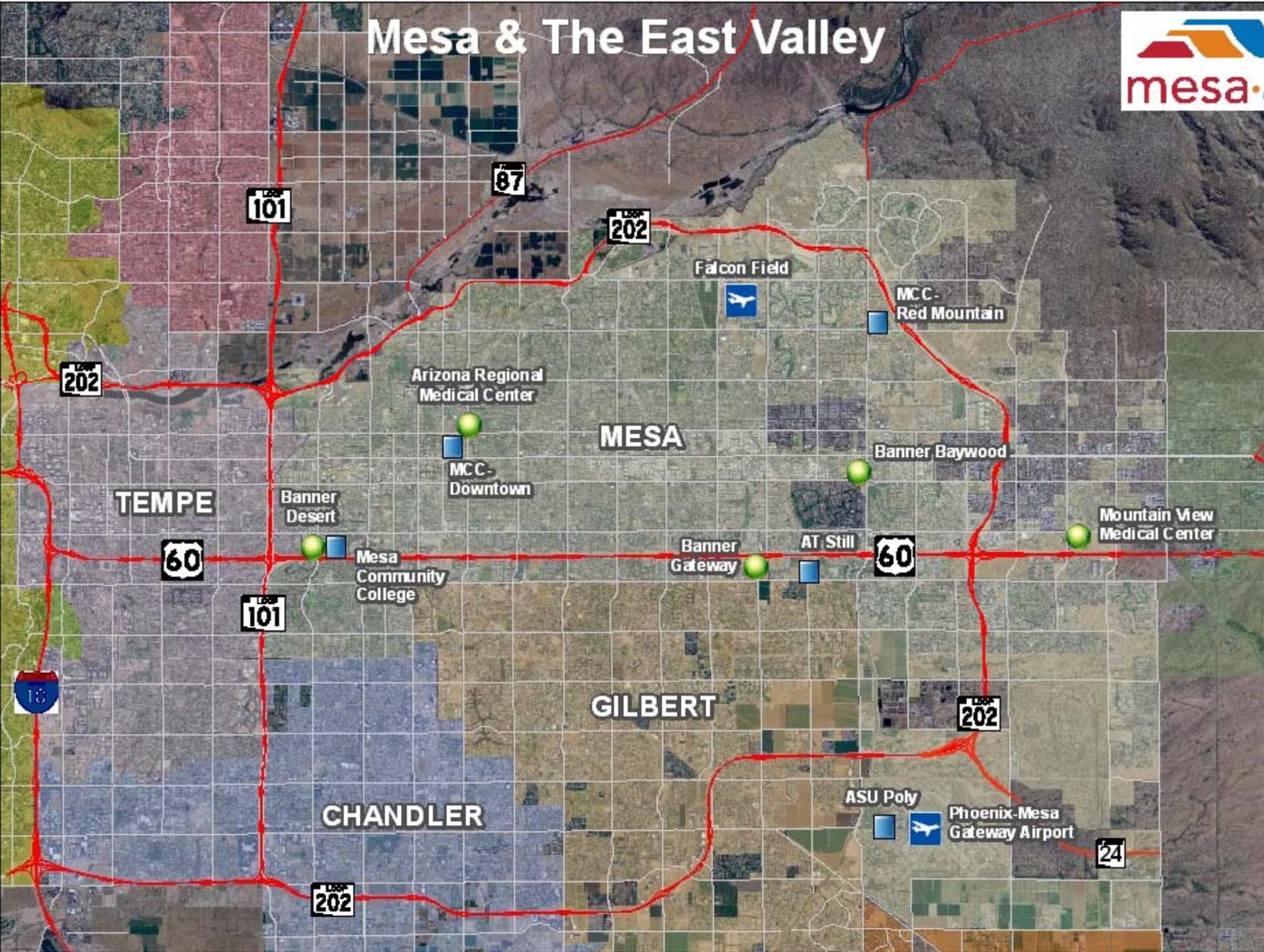


H.E.A.T Initiative

Economic development priorities are guided by Mesa's targeted industries of opportunities: Healthcare, Education, Aerospace, and Tourism/Technology



Mesa & The East Valley





Economic Development Achievements

- **Crescent Crown Distributing Headquarters** – 291,000 s.f. facility with approx. 400+ employees
- **P & H Mining Expansion** – Internationally renowned mining equipment manufacturer investing \$10m+ with 150 employees
- **MD Helicopters** - \$186m contract with U.S. Army to build MD-530F helicopters for use in Afghanistan





Economic Development Achievements- Cont.

- **Boeing**
 - \$26.8m in contracts to upgrade Apache helicopters with state-of-the art ARGUS radar
 - \$29.9m contract to manufacture A160 Hummingbird unmanned cargo delivery helicopters for U.S Marine Corps
 - Employs approximately 4,400 employees in AZ
 - \$2.6b annual economic impact to AZ





Economic Development Achievements— Cont.

- **Phoenix-Mesa Gateway Airport**
 - \$6.85m annual economic impact supports 4,100 jobs in the region
 - **Able Engineering** – Large aviation maintenance, repair, and overhaul business investing \$15m with 250 employees
 - **Cessna Aircraft Company** - Cessna and Citation aircraft service center
 - **Embraer Aircraft** - Legacy and Phenom aircraft service center
 - **Hawker Beechcraft Services** - Hawker and Beechcraft aircraft service center





Economic Development Achievements— Cont.

- **Phoenix-Mesa Gateway Airport**
 - **Allegiant Airlines**
Service to 28 destinations with more on the horizon
910,000 total passenger boarding's projected in 2011
 - **Air Cargo Operations** – Foreign trade zone + U.S. Customs
Services available





Economic Development Achievements— Cont.

○Phoenix-Mesa Gateway Airport

- AZRE Magazine's 2010 Best Redevelopment Project of the Year— Phase 1 terminal building expansion added 2 new boarding gates
- \$9.75m FAA grant to construct Phase 2 terminal building expansion will include 2 additional boarding gates
- Is now the nation's fastest-growing commercial-service airport among those with traffic above 300,000 enplanements a year
- In 2012 the airport will officially be designated as a small hub airport



Economic Development Achievements— Cont.

- **U.S. Air Force Research Lab** – Goal is to transfer ownership to the City of this U.S. Dept. of Defense high-security research facility. Over 99,000 s.f. of existing building space. Avg. annual employee wages of \$70,000+
- **First Solar** – Large solar PV panel manufacturer investing \$300m in new 1.3m s.f. facility with 600 employees initially. First major development on the former GM Proving Grounds





Economic Development Achievements— Cont.

City of Mesa Partnership for Education

- Arizona State University is a key partner for the reuse of the former Air Force Research Lab
- City is currently investing approximately 10.5M in utilities & streets at ASU Polytechnic
- Chandler-Gilbert Community College has invested approximately 23M including utilities, central plant, hangar, building remodeling, and construction of Engel Hall
- ASU is under construction for 300 beds, a dining facility, and recreational complex





Economic Development Achievements— Cont.

○Chicago Cubs Spring Training Impact

- Traditionally highest home game attendance in Cactus League (10,000+/- per game)
- Voter support continued in November 2010 election
 - Bed tax increase from 3% to 5%
 - Resolution supporting up to \$99m funding for new Cubs Spring Training facility. Multiple retail shops, restaurants, clubs, and hospitality venues will be located adjacent to the facility.





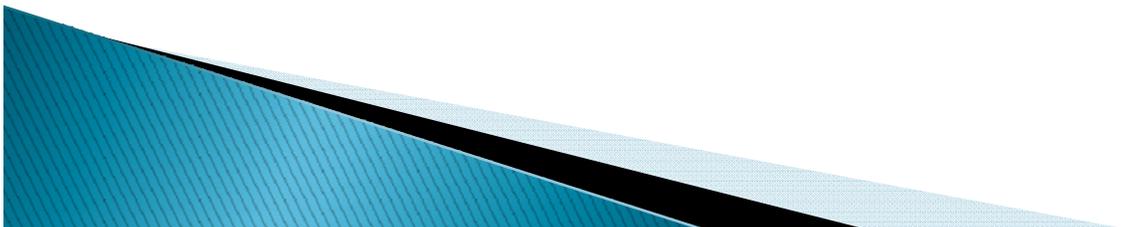
Economic Development Achievements— Cont.

- **Light Rail to Downtown Mesa by 2016**
 - 917,806 passenger boardings in Mesa in 2010
 - \$240m regional and federal funds budgeted for 3.1 mile extension to Mesa Drive
 - \$500,000 budgeted for planning of additional 1.9 mile extension to Gilbert Road





iMesa Initiative



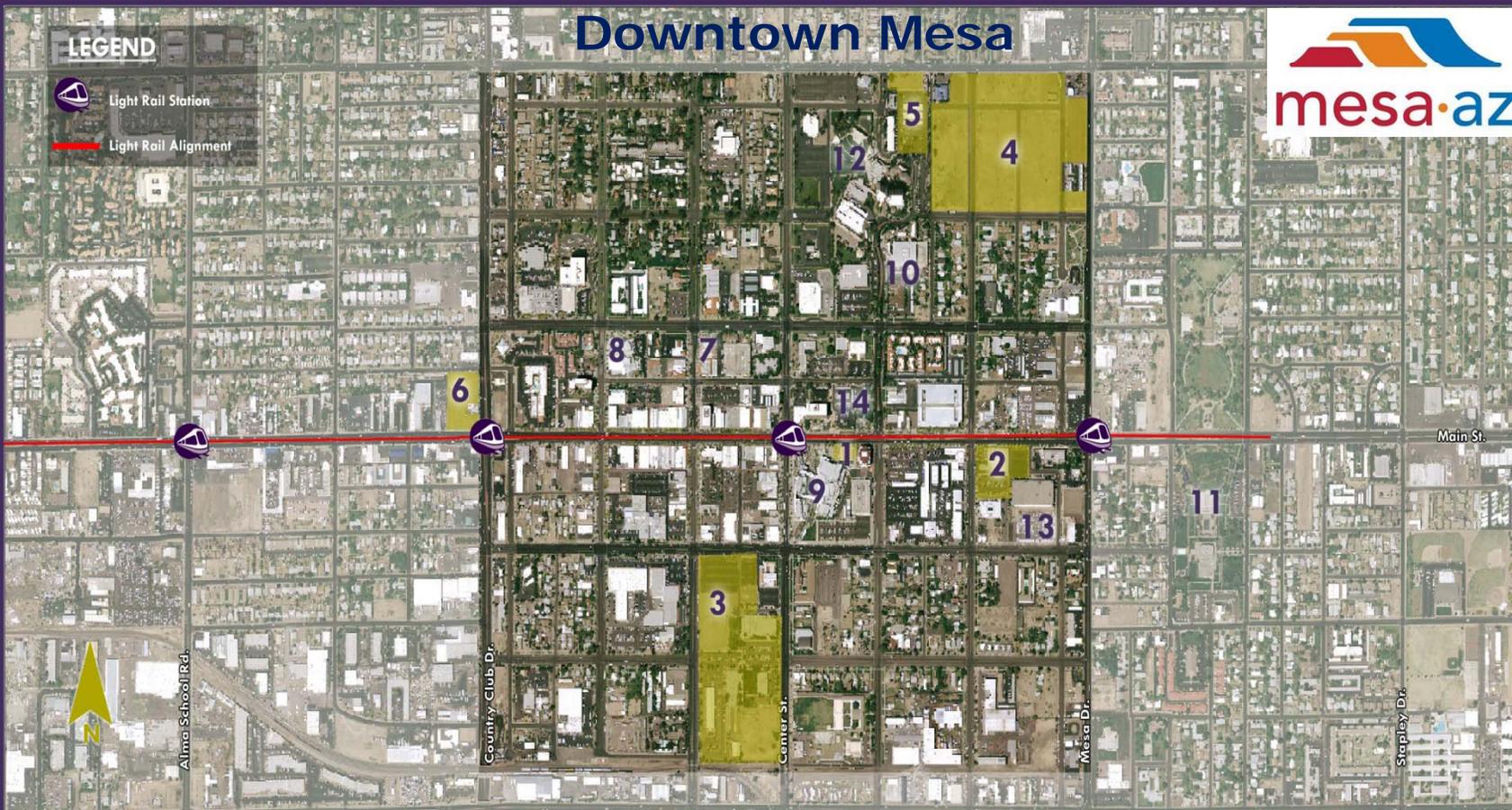


iMesa Initiative

As of July 21, 2011 some of the top iMesa initiatives are:

- Fund a technology incubation “hackerspace” in downtown Mesa
- Make Mesa Community College a 4-year University and add research campuses downtown and at Gateway
- Create high density living in downtown by encouraging construction of more mid/high rise buildings
- Evening entertainment

Downtown Mesa



Development Opportunities

- | | | |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p>1) 51-55 Main
 - 15,000 SF
 - Located on Mesa Arts Center campus
 - Ideal Restaurant Use</p> <p>2) 225 Main
 - 68,949 SF
 - SEC of East 2nd & Main St.
 - Ideal healthcare, educational, or office use</p> | <p>3) South Center Campus
 - 90,430 SF in four buildings -15 acre campus
 - Address is 200 S. Center
 - Ideal healthcare, education or office use</p> <p>4) Mesa & University
 - 20 +/- acre parcel
 - Located at SWC of Mesa & University Dr.
 - TCC zoning, provides for unlimited density
 - Ideal TOD mixed-use with residential</p> | <p>5) University & Centennial
 - 3.8 +/- acres
 - SEC of University Dr. & Centennial Way
 - Ideal healthcare, education or office use</p> <p>6) Main & Country Club
 - 5.22 +/- acres
 - NWC of Main St. & Country Club Dr.
 - Ideal TOD mixed-use with residential</p> |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|

Arts & Cultural Facilities

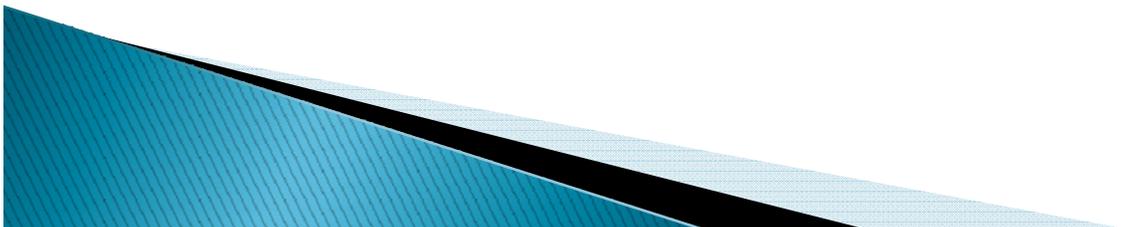
- 7) Arizona Museum of Natural History
- 8) Arizona Museum for Youth
- 9) Mesa Arts Center
- 10) MCC/NAU Campus
- 11) Mesa Arizona Temple
- 12) Mesa Amphitheater

City Facilities

- 13) Mesa Justice Center
- 14) Mesa City Hall

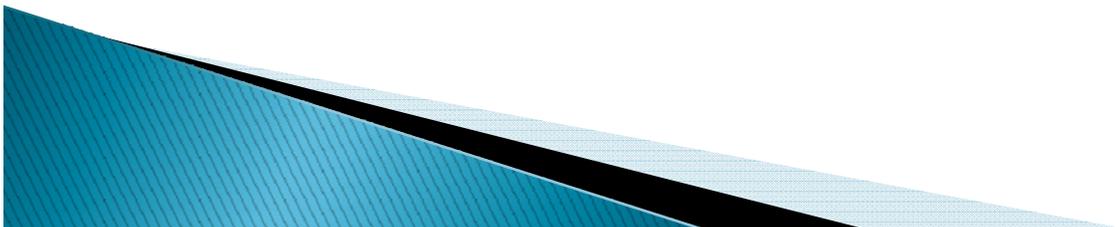
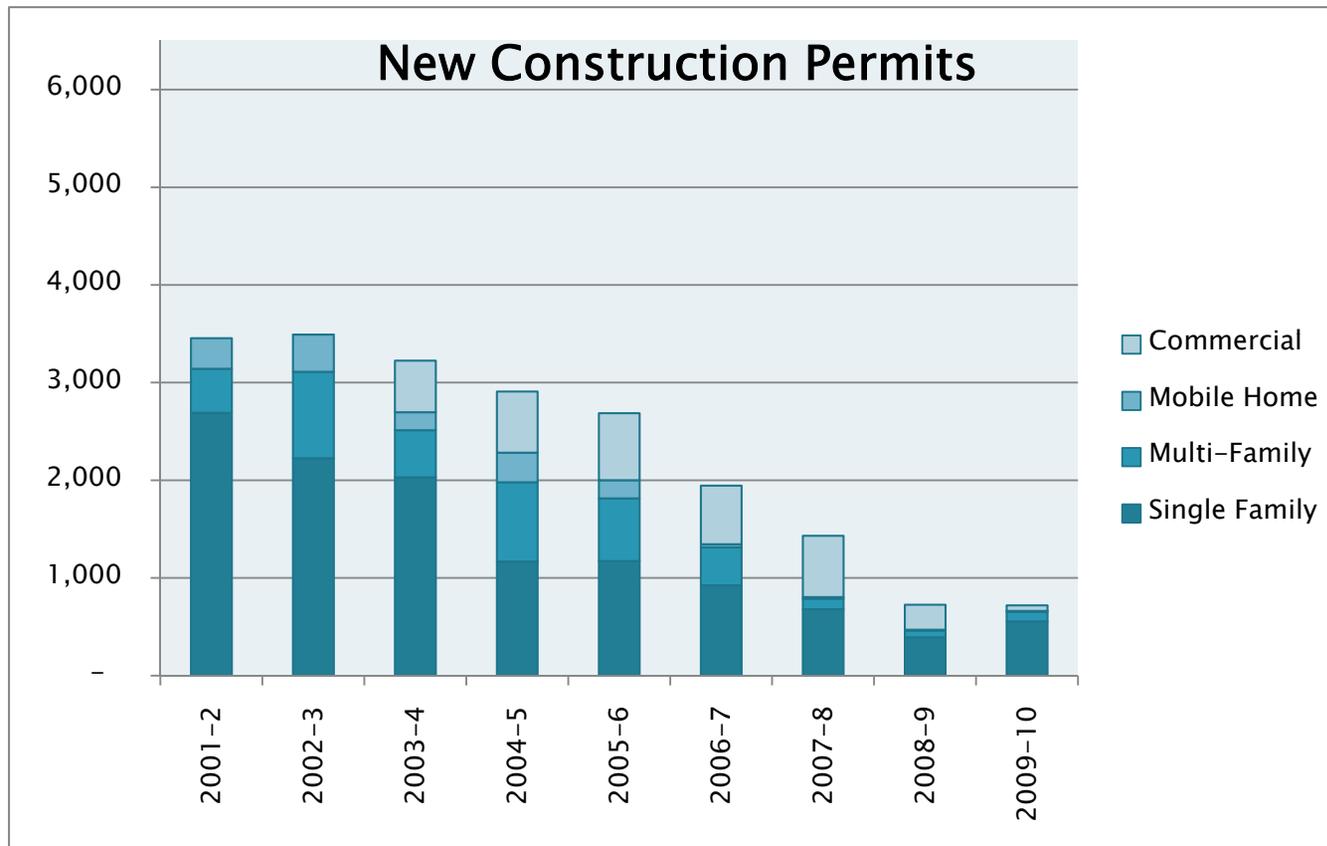


The Current and New Economy





Building Permit Trends – Fiscal Year Basis





Comparing G.O. Bond Debt

City	Total Outstanding G.O. Debt	G.O. Debt Per Resident
Mesa	\$276.6M	\$ 630
Gilbert	\$195.3M	\$ 937
Glendale	\$219.4M	\$ 968
Phoenix	\$ 1.63B	\$ 1,129
Chandler	\$449.8M	\$1,905
Scottsdale	\$578.2M	\$2,660
Tempe	\$475.8M	\$2,942



Comparing Operating Budgets

City	FY 10/11 Operating Budget*	Per Resident
Mesa	\$943.7M	\$2,149
Glendale	\$497.6M	\$2,195
Tempe	\$381.4M	\$2,359
Gilbert	\$544.7M	\$2,613
Chandler	\$630.9M	\$2,672
Phoenix	\$3.9B	\$2,697
Scottsdale	\$1.1B	\$5,018

*Total Appropriation less portion funded by bonds



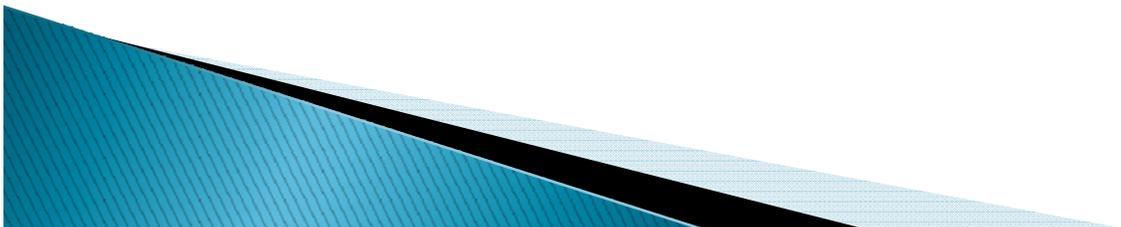
Mesa Continues to Adapt to the New Economy

Reduction History:

	FY'09	FY'10	FY'11	FY'12
◦ General Fund	-\$15.8M	-\$62.4M	-\$21.6M	-\$7.4M
◦ Positions	-133.2	-301.5	-168.7	-27.1

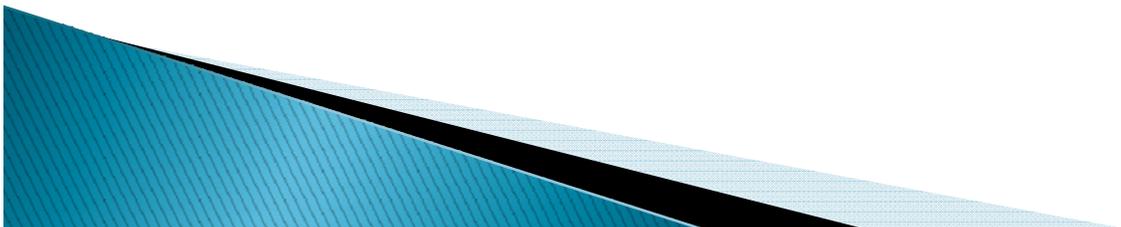
Current Budget and Financial Status:

- Revenues have begun to stabilize at the bottom
- AA2 bond rating was maintained for this year





Interesting Recent Facts





Interesting Recent Facts

- For the past three years, America's Promise Alliance named Mesa Public Schools as No. 1 in graduation rates among the nation's 50 largest cities.
- In 2009-10, A.T. Still university awarded more than 1,000 post-graduate degrees (730 Doctorates, 301 Masters)
- The median age for Mesa is 34
- More than 10,000 people work in Downtown Mesa
- The number of new jobs announced just in the 3rd quarter was 1,540
- The average salary of new jobs announced through 3rd quarter of FY 11 is \$54,459

Source: Arizona Department of Education, US Census, Claritas



Questions?

