

Welcome to Mesa—a vibrant city and a premier location for business development opportunities. Located in the center of Arizona and the heart of the Southwest, the City of Mesa is strategically positioned for businesses to access and serve the global economy. In Mesa, we make it easy for small, medium-sized and large companies to establish healthy roots for success. The City continues to foster relationships with existing businesses to ensure they grow and prosper.

Once known for superior cotton and citrus, Mesa is now celebrated for excellent schools, livable neighborhoods, quality governance and a pro-business mentality. Continued success requires a strategic vision to maximize Mesa's pillars of economic development: healthcare, education, aerospace and tourism industries. Mesa is embarking on a bright and exciting future with state-of-the-art healthcare training centers, top-ranked specialty hospitals, championship golf and one-of-a-kind tourist attractions, world-class educational institutions and international aviation companies building and maintaining some of the world's best planes and helicopters.



ROOTS OF SUCCESS

As Mesa's Mayor, my goal of building a better Mesa includes business and industry development. I am confident that our City can help your company become even more successful. Please contact the City of Mesa Office of Economic Development for a customized proposal on how your business will benefit by being here.

The Honorable Scott Smith
Mayor, City of Mesa

A PERFECT PLACE TO GROW YOUR BUSINESS

MESA ECONOMIC DEVELOPMENT

MISSION

The Office of Economic Development is the City of Mesa's lead agency for economic development.

Staff supports, cooperates and collaborates with state, regional and local organizations, businesses, academia and others on projects designed to retain and create jobs, strengthen businesses and improve Mesa's economy.

Mesa offers:

- A diverse and sustainable economy that features a balance of base industries that creates high-quality jobs.
- An educated workforce.
- A partnership of government and industry that considers next generation technologies and products as economic opportunities.
- Business people who see Mesa as their home and the world as their marketplace.



MESA BY THE NUMBERS

VITALS

Year Incorporated	1883
Elevation	1,255 feet
Cost-of-living index	99.5
Annual average rainfall	10.6"
Average temperatures	High 88 degrees Low 56 degrees

POPULATION

Number of Mesa Households		
	Year 2010	2015 Projection
	167,260	182,266
Mesa Population Growth		
	1990-2000	35.5%
	2000-2010	16.6%
	2010-2015	9.75%

Population Projections 2015

Mesa	Arizona
507,373	7,518,953

DEMOGRAPHICS

Median Age	34
Average Household Income	\$67,285
2008 Effective Buying Income	\$8.684 billion

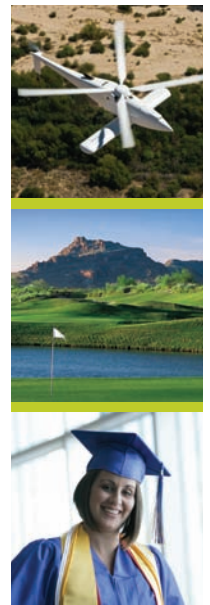
(Sales and Marketing, Survey of Buying Power)

Educational Attainment

Mesa possesses a talented and skilled workforce with 69,712 residents, or 24% of the population, age 25 or above having a bachelor's degree or higher. Employers will find an abundance of educated adults in close proximity to sites in Mesa. Within a 30-minute drive from Downtown Mesa, there are more than 400,000 professionals (age 25+) with Bachelor's Degrees or higher.

Bachelor's Degree	276,610
Master's Degree	109,613
Professional School Degree	30,190
Doctorate Degree	16,099

(Source: Claritas)



THE PHOENIX-MESA REGION IS A VIBRANT PLACE TO LIVE, WORK AND PLAY. WITH 325 DAYS OF SUNSHINE ANNUALLY, MESA, ARIZONA IS KNOWN FOR ITS NEAR PERFECT, YEAR-ROUND TRAVELING WEATHER, EXCELLENT SCHOOLS, AND STUNNING MOUNTAIN AND LAKE VISTAS THAT RESIDENTS AND MILLIONS OF VISITORS ENJOY.

WORKFORCE AVAILABILITY

The total labor force in Greater Phoenix grew to more than two million people in 2008, an increase of 84% since 1990.

	Mesa 2010	Greater Phoenix 2010
Labor Force	257,843	2,121,085
Employment	237,245	1,933,609
Unemployment Rate	8%	8.8%

Within a 30-minute drive from Downtown Mesa

	2010	2015 Projection
Population	2,332,199	2,594,439
Households	837,484	926,073
Labor Force (age 16+)	1,747,344	N/A

(Source: Claritas, www.bls.gov, March 2010)



“From day one, the team at Mesa has gone above and beyond to support us. Their exceptional efforts and innovative thinking have enabled us to successfully grow our unique brand of low-cost service to and from the greater Mesa community.”

Tyri Squyres,
 Vice President of Marketing
 Allegiant Air



MESA BOASTS TWO AIRPORTS AND AN EXPANDING LIGHT RAIL SYSTEM THAT CAN CARRY UP TO 15,000 PEOPLE PER HOUR.

MARKET ACCESS

Well Connected, Abundant Resources and Reliable Power

Mesa is a city on the move with an abundance of freeways, highways and state routes strategically located along commerce corridors and current and future population centers. Freeways ease traffic congestion—the 101 along Mesa’s west border and the Loop 202 circling the interior of Mesa. US 60 and SR 87 intersect in Mesa and minutes away are Interstates 10, 17 and 8, plus state routes 51, 74, 85 and 88 linking Mesa to other Arizona markets, California and Mexico.

Union Pacific and Burlington Northern Santa Fe Railroad operate rail terminals in Greater Phoenix. Both intermodal facilities offer trailer and container capabilities.

Utility services, water and sewer services are excellent in the City of Mesa. Electricity and natural gas are available at levels necessary to support high-volume commercial users with prices equal to or below national averages.

Mesa Boasts Two Airports

Both Mesa Falcon Field Airport and Phoenix Mesa Gateway Airport offer a diverse portfolio of aerospace, defense, aviation and other high tech industries, plus the operations to support those such as MRO, cargo and R&D activities.

Key Benefits also include:

- Special incentives in Mesa for aerospace and aviation companies including Foreign Trade Zone and Military Reuse Zone benefits that reduce both real and personal property tax by nearly 80% as well as other significant cost saving benefits.
- Long runways to accommodate commercial, general and recreational aviation.
- Acres of land available for lease or purchase, with existing buildings or greenfield.
- Excellent access to freeways within one mile of each airport.

Light Rail

The arrival of METRO Light Rail in late 2008 ushered in a new era of transportation to Greater Phoenix. Mesa City Council recently approved a three-mile extension with four additional station locations through Downtown Mesa. The light rail extension will begin construction in 2013 and be completed in 2016.



Greater Phoenix is the second safest metro area in the nation for avoiding losses from natural catastrophes. -Risk & Insurance magazine



WHY MESA, ARIZONA MAKES GOOD BUSINESS SENSE

Important Tax Information

Mesa, Arizona offers a competitive operating environment compared to other Southwest markets. For more than a decade, Arizona has implemented reductions in taxes and created incentive programs favorable to businesses.

- In Arizona, workers' compensation rates are the 7th lowest in the nation and the 6th lowest unemployment insurance costs per employee.
- The assessment ratio for real and personal property taxes on commercial and industrial properties was reduced by 20%.
- Arizona has one of the most aggressive additional depreciation schedules, resulting in reduced operating costs and a quicker path to profitability.
- Arizona also exempts equipment used in manufacturing from sales tax.
- Arizona is a right-to-work state.

Plus, the state does not levy the following taxes:

- No corporate franchise tax.
- No business inventory tax.
- No income tax on dividends from out-of-state subsidiaries.
- No worldwide unitary tax.
- Virtually all services exempt from sales tax.
- 100% of net operating loss may be carried forward for five years.

Corporate Income Tax: 6.986%

Individual Tax Rate: 3.55%

Compared to Southwest markets, which range from 4.6% to 9.3%

Sales Tax: 9.05%

(Sales tax breakdown: Mesa – 1.75%; County - 0.7%; State - 6.6%)

MESA'S LARGE EMPLOYERS:

Company	Mesa-Based Employees
Mesa Public Schools	9,100
The Boeing Co.	4,500
City of Mesa	4,200
Banner Desert Medical Center	3,400
Banner Baywood Medical Center	2,000
Empire Southwest/Caterpillar, LLC	800
Mesa Community College	700
FedEx Express	600
Mesa Fully Formed	600
Mountain Vista Medical Center	600
Banner Heart Hospital	500
TRW	400

(Source: The Business Journal Book of Lists, based on the number of full-time equivalent employees; Mesa Chamber of Commerce)



LEVERAGING MESA'S ASSETS

The City of Mesa owns thousands of acres of land, new development sites, redevelopment sites and many buildings in the City and outside the City. Several sites in Downtown Mesa are available for projects in, or related to, Mesa's targeted industries with the primary goal of creating high-wage jobs.

The Office of Economic Development works with entrepreneurs, developers, brokers and businesses to develop partnerships that maximize the asset and generate quality economic development.



BUSINESS INCENTIVES AND PROGRAMS

New Incentives Enhance Arizona's Competitiveness

- The **Renewable Energy Tax Incentive Program** allows companies in the solar, wind, biofuels and geothermal industries to receive tax breaks for growing or expanding in Arizona.
- Arizona's **R&D Refundable Tax Credit** is now the most competitive in the country because it allows the taxpayer—small businesses with less than 150 FTEs—to receive a 75% refund of the credit. The Income Tax Credit is for qualified R&D done in Arizona, including research conducted at a state university and funded by the company.
- The **Small Business Capital Investment Tax Credit Program** allows eligible tech-company investors a 30% credit on state taxes over a three-year period (biotech company investors can receive a 35% credit).
- Arizona allows multi-state corporations the option to **"super-weight" their sales factor** to reduce income tax liability in the state. Plus, Arizona does not reclaim income from activity that was not taxed in other states or countries.



SITES IN DOWNTOWN MESA ARE AVAILABLE FOR QUALITY ECONOMIC DEVELOPMENT PROJECTS THAT CREATE JOBS.



MESA ARTS CENTER

Photo by Al Payne ©2010

DANA PARK



THE CITY OF MESA WORKS WITH OUR PARTNERS TO DEVELOP UNIQUE PARTNERSHIPS BASED ON YOUR COMPANY'S NEEDS.

THE MESA ADVANTAGE

Significant benefits exist for businesses in high-impact industries creating high-wage jobs, making large capital investments or locating in special zones in Mesa.

- **Mesa's Foreign Trade Zone**, one of the most competitive in the nation, reduces property taxes by nearly 80% in perpetuity.
- **Mesa's Military Reuse Zone** reduces real and personal property taxes by nearly 80% for five years and offers an income tax benefit to qualifying companies of \$7,500 per net new employee.
- **Mesa's Enterprise Zone** reduces primary property taxes nearly 80% for five years and offers qualifying companies an income tax benefit of \$3,000 per net new employee.
- **Redevelopment Area** - The Government Property Lease Excise Tax Program is available to businesses that lease parcels from the City of Mesa rather than own them outright. All real property tax has been waived and replaced with an excise tax that is an established rate per square foot and based upon the type of use.
- The City of Mesa may also assist in identifying financing options based on the project size and scope. For example, **Mesa's Section 108 Loan Fund** provides eligible companies or developers the ability to finance high impact projects; spread capital costs over time; long-term loans at reasonable fixed rates; flexibility in repayment; and leverage of limited public dollars. Over 1,200 projects have been funded since the federal program's inception in 1978.
- Unlike most other cities in Arizona, Mesa has **NO primary property tax** on real or personal property.

The City of Mesa Office of Economic Development works to ensure the client maximizes the benefits and reduce operating expenses when locating or expanding in Mesa. Companies that participate in programs for job training, small businesses or commercial solar energy businesses also qualify for various tax credits. Additionally, the City of Mesa works with our partners to develop unique partnerships based on company needs.

"Mesa is an ideal maintenance destination for several reasons, including its customer-friendly atmosphere and average of 325 days of sunshine per year. We're pleased to be open for business and look forward to welcoming customers from throughout the region and across the U.S. to this state-of-the-art facility."

Christi Tannahill,
Vice President
Global Customer Support
Hawker Beechcraft



HEALTHCARE AEROSPACE

MESA'S TARGETED INDUSTRIES

Economic Development priorities are guided by Mesa's targeted industries of opportunity: Healthcare, Education, Aerospace and Tourism. Based on Mesa's strengths, quality infrastructure, talented workforce, projected growth and global market trends, the City of Mesa is already realizing significant benefit in each industry space.

Healthcare / Biosciences

- Medical services abound in Mesa and the East Valley. Mesa boasts world-class specialty and general hospitals with more than 1,300 beds combined.
- Training and education is critical to build a workforce pipeline. Banner Simulation Medical Center is the largest simulation training center in the nation, while higher education in Mesa offers healthcare programs and secondary education provides training in biotech and life science industries.
- At Arizona State University Polytechnic, Applied Biological Sciences students have access to state-of-the-art greenhouses and the Laboratory for Algae Research and Biotechnology. Unique research at the Polytechnic campus includes the work of scientists Milton Sommerfeld and Qiang Hu and their conversion of algal feedstock to fuel. Time magazine selected the researchers' work as one of the best innovations for 2008.
- Biotech companies in Mesa are small but growing. Medical devices are a strong sector in Arizona. Early-stage or established companies will find support and assistance in Mesa.

Education

- More than 40,000 students are enrolled in higher education in Mesa at schools including Arizona State University (ASU) Polytechnic, Arizona School of Health Sciences, Chandler-Gilbert Community College, DeVry Institute of Technology, Mesa Community College, Ottawa University, A.T. Still University, Arizona School of Dentistry and Oral Health and University of Phoenix, to name a few.
- Mesa Public Schools is the largest school district in Arizona, and the 44th largest in the country and recognized nationally for its superb educational programs and student achievements in academics, sports, creative and performing arts, as well as technical and career training. Mesa boasts a new biotech academy and an advanced health sciences academy.
- 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 (MPS, Fall 2010).
- Considered a model for career and technical education by the U.S. Department of Education, the East Valley Institute of Technology (EVIT) provides students with hands-on, advanced skills and training in over 40 occupation-specific programs which allow students to thrive in today's competitive job market. EVIT is a public school district that serves students from 10 East Valley school districts.



RE EDUCATION TOURISM

Aerospace / Aviation

- In January 2010, Phoenix-Mesa Gateway Airport reached one million commercial passengers within 25 months of starting service and is projected to reach its next million within 13 months.
- Allegiant Air passenger load factors consistently hover around 90%.
- Commercial Passenger Service at Gateway is projected to reach between two to five million passengers by 2025.
- More than 100 companies are adjacent to the airports, employing more than 10,000 employees in aerospace/aviation, high-tech, manufacturing and software industry clusters.
- More than \$100 million in new infrastructure is scheduled for completion at Mesa airports by the end of 2015.
- Cessna, Embraer and Hawker-Beechcraft all opened new business jet services at Phoenix-Mesa Gateway Airport servicing more than 2,000 planes in their first year of operation.
- Boeing manufactures the top-rated Apache attack helicopter as well as the newly introduced Hummingbird Unmanned Aerial Vehicle (UAV) in Mesa.

Tourism

- Opened in 2005, the Mesa Arts Center (MAC) is the largest arts center in Arizona offering comprehensive professional performing arts, visual arts and arts education programming on one state-of-the-art campus. MAC draws nearly 300,000 patrons each year.
- Mesa is home to Major League Baseball Chicago Cubs Spring Training—the biggest draw in the Cactus League.
- 37.4 million domestic and international overnight travelers visited Arizona—equal to roughly 102,000 visitors per day in 2008.*
- Travelers spent \$18.5 billion in Arizona in 2008, which equates to almost \$51 million every day.*
- The City of Mesa has entered into an agreement with Gaylord Entertainment to bring a 1,200-room destination resort and 500,000 square-foot convention center to the Mesa Proving Grounds. The plan also calls for a 20,000 square-foot spa, Tom Fazio-designed 18-hole golf course, additional hotels, and will lay the foundation for substantial ongoing private investment and development over the next decade.

(*Source: azot.gov)

Healthcare



Education



Aerospace



Tourism



