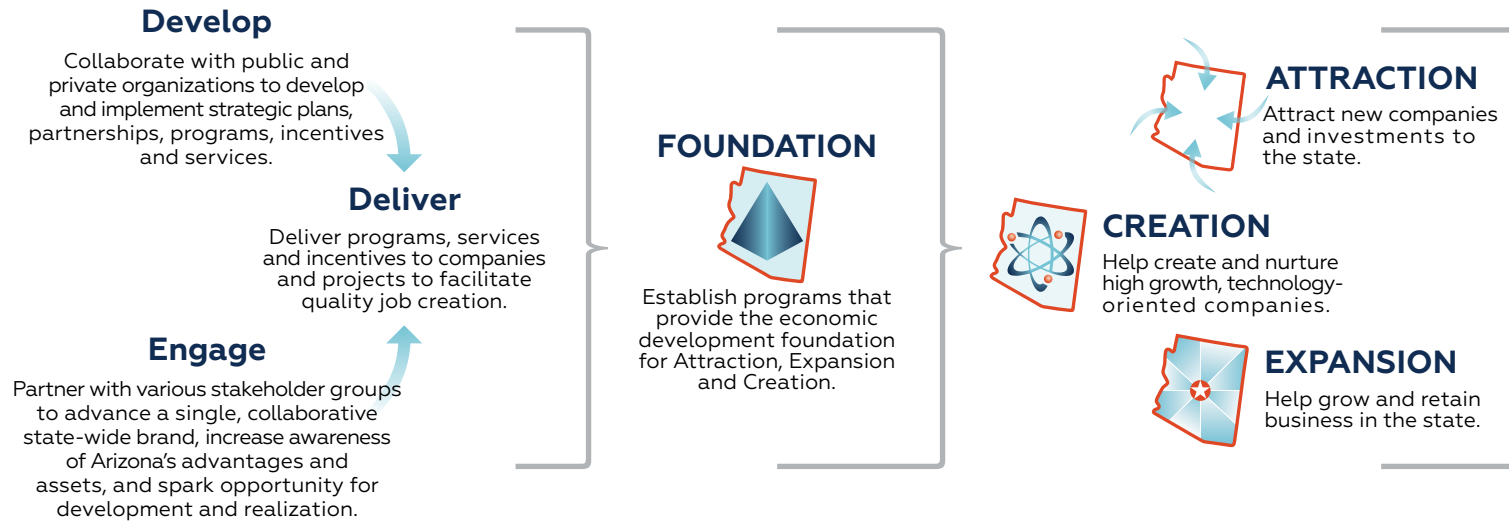


GROWING AND STRENGTHENING ARIZONA'S ECONOMY

FOSTERING
ECONOMIC PROGRESS

The ACA has a targeted strategy to improve Arizona's economy by facilitating quality job creation through business:

- Attraction
- Expansion
- Creation



Job Creation

Work with companies to facilitate the creation of **80,000** projected higher-wage direct jobs through Expansion, Attraction and Creation efforts.



Capital Investment

Target **\$7 billion** in private capital investment to generate state and local tax revenues and catalyze job creation.



Increase Average Wages

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

5-Year Goals
(FY18 - FY22)

ACA'S FISCAL YEAR 2018 HIGHLIGHTS – 2,005 COMPANY ENGAGEMENTS

ATTRACTION



175 opportunities

	FY17	FY18		Targeted Industries	Rural
Projected New Jobs	54	Closed/Won 39		8,272	67
Capital Investment				\$1.5B	\$4.4M
Wages				\$63,507	\$44,327

EXPANSION



83 opportunities

	FY17	FY18		Targeted Industries	Rural
Projected New Jobs	48	Closed/Won 48		10,049	161
Capital Investment				\$585M	\$14M
Wages				\$53,268	\$30,425

CREATION



1,045 Arizona company engagements

	FY17	FY18
Engagements	823	1,045

The ACA's suite of creation programs provided funding, training or technical assistance to Arizona companies through **1,045** unique engagements. Companies participating in these programs become part of the pipeline for expansion opportunities outside of creation program parameters.

FINANCIAL PROGRAMS



702 new incentive applications and reports

	FY17	FY18		Number of Assisted Companies	Amount of Assistance
Tax Credits and Abatements ¹	65	Pending 42		247	\$ 82.82M
Grants ²	25	Under Review 64		48	\$ 26.33M
	546	Reviewed 596		295	\$109.14M
	425	Active 556			

actually claimed or legacy programs no longer open to new applicants.²Grants approved under the Arizona Competes, Arizona Innovation Challenge, Job Training and Rural Economic Development Grant programs. Does not include the Federal STEP grant program. Dollar amounts shown are the amounts approved and do not reflect the amounts paid. Grants are paid over time upon achievement of performance milestones.

FOUNDATION



statewide, long-term economic development initiatives, including:

Five-Year Business Plan The Board of Directors voted to formally adopt the ACA's five-year business plan, which focuses on leveraging next-gen tech trends to grow Arizona's economy. In addition to goals for job creation, wage growth and capital investment, two new goals for growing Arizona's entrepreneurial ecosystem and increasing exports were added.

Opportunity Zones Under the direction of Governor Ducey, the ACA led communities throughout the state in a collaborative process to identify census tracts that would qualify as Opportunity Zones, a federal program encouraging investment in distressed areas to help drive economic development. Arizona's nominations were among the first in the nation to receive approval.

2018 CEO Forums The ACA, Governor Ducey and the Arizona Zanjeros hosted two highly successful CEO Forum Programs, one during the Waste Management Phoenix Open and the other during the Arizona Cardinals game in London. These events helped secure 1,500 jobs, including a corporate headquarters project.

Arizona-Mexico Relationship Arizona and Sonora continue to advance policies promoting cross-border commerce. The ACA and the Secretariat of the Economy of the State of Sonora formalized a joint agreement to market and drive innovation, entrepreneurship and technological advances in the two-state region. The first Arizona-Sonora Business Expo was also presented jointly in Hermosillo, helping create new opportunities for increased trade and investment on both sides of the border.

ACA'S FISCAL YEAR 2018 RESULTS

All figures represent three-year projections

	1Q	2Q	3Q	4Q	FY18 Goal	FY18 TOTALS
Projected New Jobs	5,015	3,805	5,496	6,786	16,000	21,102
Projected Capital Investment	\$624M	\$209M	\$1.3B	\$369M	\$1.4B	\$2.49B
Projected Wages	\$53,214	\$56,875	\$56,493	\$51,554	\$53,250	\$54,194

CUMULATIVE RESULTS TOWARDS GOALS

	Projected Jobs	Projected Capital Investment
ACA 1-YR Performance	21,102	\$2.49B
ACA 5-YR Goal	80,000 26%	\$7.0B 36%

ECONOMIC IMPACT OF ACA PERFORMANCE

	Direct, Indirect and Induced Jobs ²	Economic Output	Tax Revenue
FY17	48,732	\$32.69B	\$746M
FY18	48,213	\$30.31B	\$736M

¹Analysis performed by Elliott D. Pollack & Co. based on ACA input; ²Includes temporary jobs created by construction

FISCAL YEAR 2018