

The Economic Development Department has developed this monthly document to provide City Council with updates regarding economic development activities and initiatives. The information in this document is suitable to use as a reference with outside parties interested in learning about Surprise.

Activity Update

Large Business Update

-**Cobalt Medical Development** picked up its building permit and fenced the development site for the planned 50,000 square foot advanced rehabilitation center, specializing in traumatic brain injury. The project is scheduled to invest \$18M and create 125 healthcare positions.

-**Ford of Surprise** received its certificate of occupancy. The Autoshow now offers Kia, Chevrolet, Nissan, Toyota/Scion Chrysler/Jeep/Dodge/Ram and Ford.

-**Intrepid Tool Industries** submitted plans to the city for expansion of its operation within the city. The plans call for additional equipment investment and increased positions to run the aerospace supplier operation.

Small Business Update

-**Kneaders Bakery and Cafe** held its ribbon cutting and grand opening on October 1st. Economic development staff has been working with company representatives for 18 months. Located at 14183 W. Bell Road, Kneaders is open Monday – Saturday for breakfast, lunch and dinner.

AZ TechCelerator Update

-**Torque Trends** hosted a demonstration for industry associates at the AZ TechCelerator on October 7th. The demonstration unveiled a 1999 Mazda Miata converted to an electronic vehicle using Torque Trends’ technology. They are working to demo the car again at Surprise City Hall on October 21st.

Department Update

-**Economic Development staff** has identified increased opportunity in the aerospace industry. Staff is targeting manufacturers with administrative office profiles to increase job opportunities. The **small business group** is actively working to attract business owners offering new restaurant concepts and family fun operations. The **AZ TechCelerator** has two companies, MD24 and Athena Wireless, who have reached the graduation level. The graduation level is the final stage prior to companies moving into commercial space.

In September the department received 5 large business inquiries, 16 small business inquiries and 10 TechCelerator inquiries. The city hosted 3 large business site visits, assisted 14 small businesses and responded to 52 TechCelerator tenant requests.

**Business Fact
of the
Month**

**City of Surprise
Estimated Retail Sales
(2010 & 2013 Comparison)**

<u>2010</u>	<u>2013</u>
All Motor Vehicle & Parts Dealers	
\$32,041,280	\$235,018,122
Auto Dealers	
\$8,931,607	\$187,608,964
Other Motor Vehicle Dealers	
\$11,500,231	\$31,005,520
Auto Parts, Accessories, and Tire Stores	
\$11,609,442	\$16,403,638

Source:

- Esri Business Analyst -
(Esri / Dun & Bradstreet)



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Initiative Update

City Council Strategic Plan Spotlight

- Economic Development Goal 1: “Promote Surprise as a location for clean industry, high-tech manufacturing and corporate office development.”

Staff is developing impactful ways to promote sites and buildings for targeted industries while identifying one-on-one engagement opportunities with site selectors and company representatives. **Video-**(www.surpriseaz.gov/summit)

As the Economic Development Chair for WESTMARC , Surprise spearheaded a subcommittee to identify the labor force profile(s) in WESTMARC communities. Specifically, the committee identified a data set that can be utilized to demonstrate workforce availability at the occupational code level for high valued employers. Staff is assembling case studies for targeted industries using the occupational codes and will be assisting with a public presentation of the new tool at the WESTMARC Economic Development Summit in early 2015.

Education Spotlight

- Education and economic development are tied together.

A sustainable Surprise economy is dependent on residents possessing advanced skills, training and education.

Over the next several months, President Emeritus of Fresno Pacific University, Merrill Ewert, will be providing information and statistics gathered during his career in higher education. Now retired and living in Arizona, President Emeritus Ewert has been a supporter of the City Council Strategic Plan on Education and has actively worked with city staff on education initiatives. The information will cover four main topics related to college readiness:

- (1) *Building a College-Going Culture*
- (2) *How College Matters to Students*
- (3) *Which Students Succeed in College—and Why*
- (4) *What Parents Need to Know about College*

Top 9 Site Selection Factors

1. Labor costs
2. Highway access
3. Skilled workforce
4. Availability of technology
5. Construction costs
6. Energy availability and costs
7. Corporate tax rate
8. Existing resources
9. Tax abatements

Labor costs are the most important factor during site selection. These costs are considered when developing overall operating expenses which can influence the site selection process. In addition to conducting comparative wage analysis for common competitors (Utah/ Colorado/Nevada/New Mexico/Texas), staff is developing data on the low employee turnover in Surprise. Low turnover may be a key differentiator and is another important factor in the labor cost analysis. **Next month**, the importance of highway access during site selection.

Source:

*-Area Development-
Corporate Survey 2012*

