



# Gilbert, Arizona Prospectus

Collaboration | Entrepreneurship | Innovation

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**GILBERT, Arizona** is a destination-of-choice to firms in the science and technology industries that support an overall economic development objective of attracting, growing and retaining business and industry to the community. Gilbert is a high-tech employment center for its residents and attracts national and international investment.

As a result of recent economic development activity, Gilbert has seen an influx of world-class facilities, talent, innovations, and public-private partnerships that mark the community as a preferred environment for science and technology opportunities specifically in the areas of biotechnology/life sciences, clean technologies and aerospace. The economic development strategies and tactics within Gilbert and the Greater Phoenix Region as a whole are anticipated to create job growth in all high-wage, high-growth Science, Technology, Engineering and Math (STEM) industries.

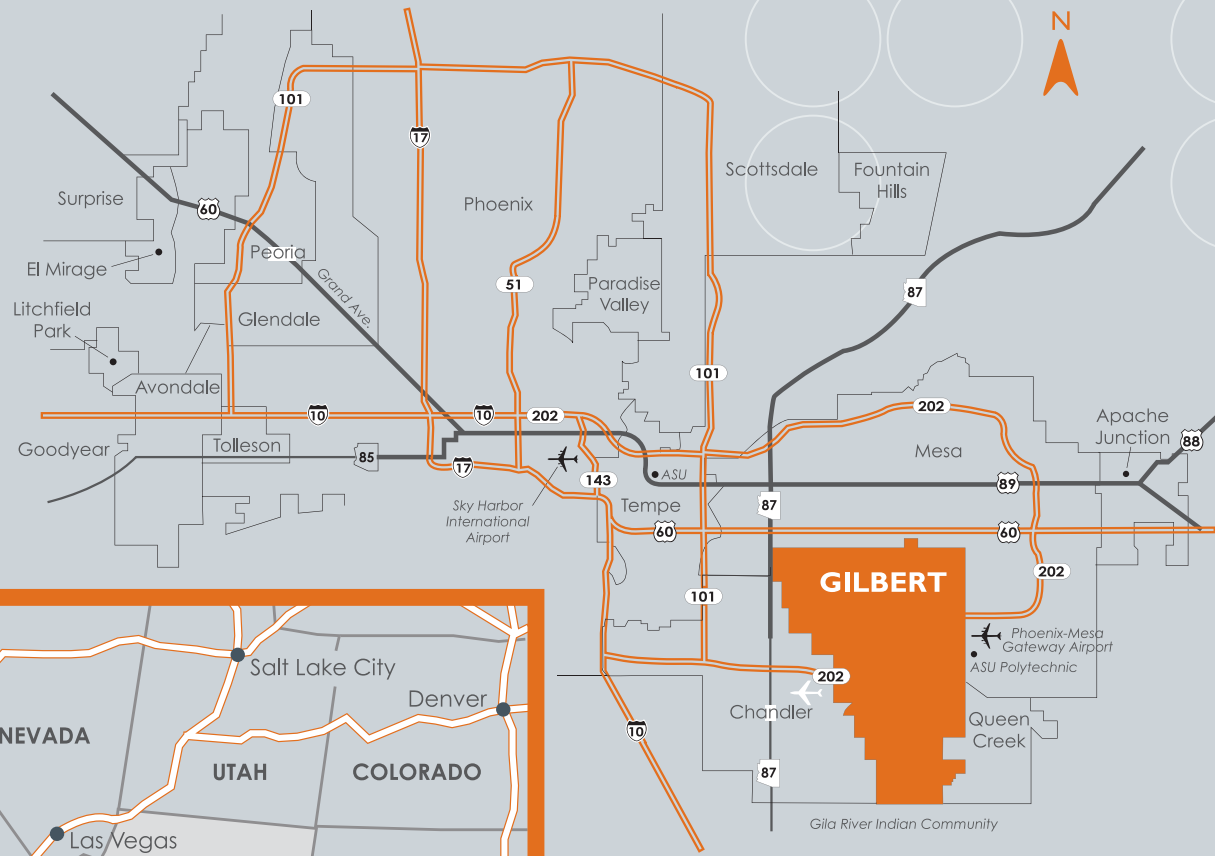
Progress has emerged in the areas of oncology, regenerative medicine, and cardiovascular science with increased traction in other fields such as biotechnology, medical devices, and pharmaceuticals/nutraceuticals.

### **Gilbert Strategic Markets**

- Advanced Business Services
- Advanced Manufacturing
- Aerospace & Defense
- BioTechnology/Life Sciences & Health Services
- Clean Technology & Renewable Energy
- Retail

### **Notable STEM Anchors**

- Banner M.D. Anderson Cancer Center
- Cardiovascular & Stem Cell Consultants
- Celebration Stem Cell Centre
- Heliae, Development LLC
- Ironwood Cancer and Research Center
- Lockheed Martin
- Orbital Sciences



*Gilbert's proximity to over 800 science and technology firms provides for collaborative partnerships*

*Gilbert has over 2 million-square-foot of state-of-the-art hospital and clinical research facilities*



Gilbert's residents are just embarking on the prolific years of their careers with over **32%** of the population between the ages of 25 and 44 and **35.8%** holding a bachelor's degree or higher.

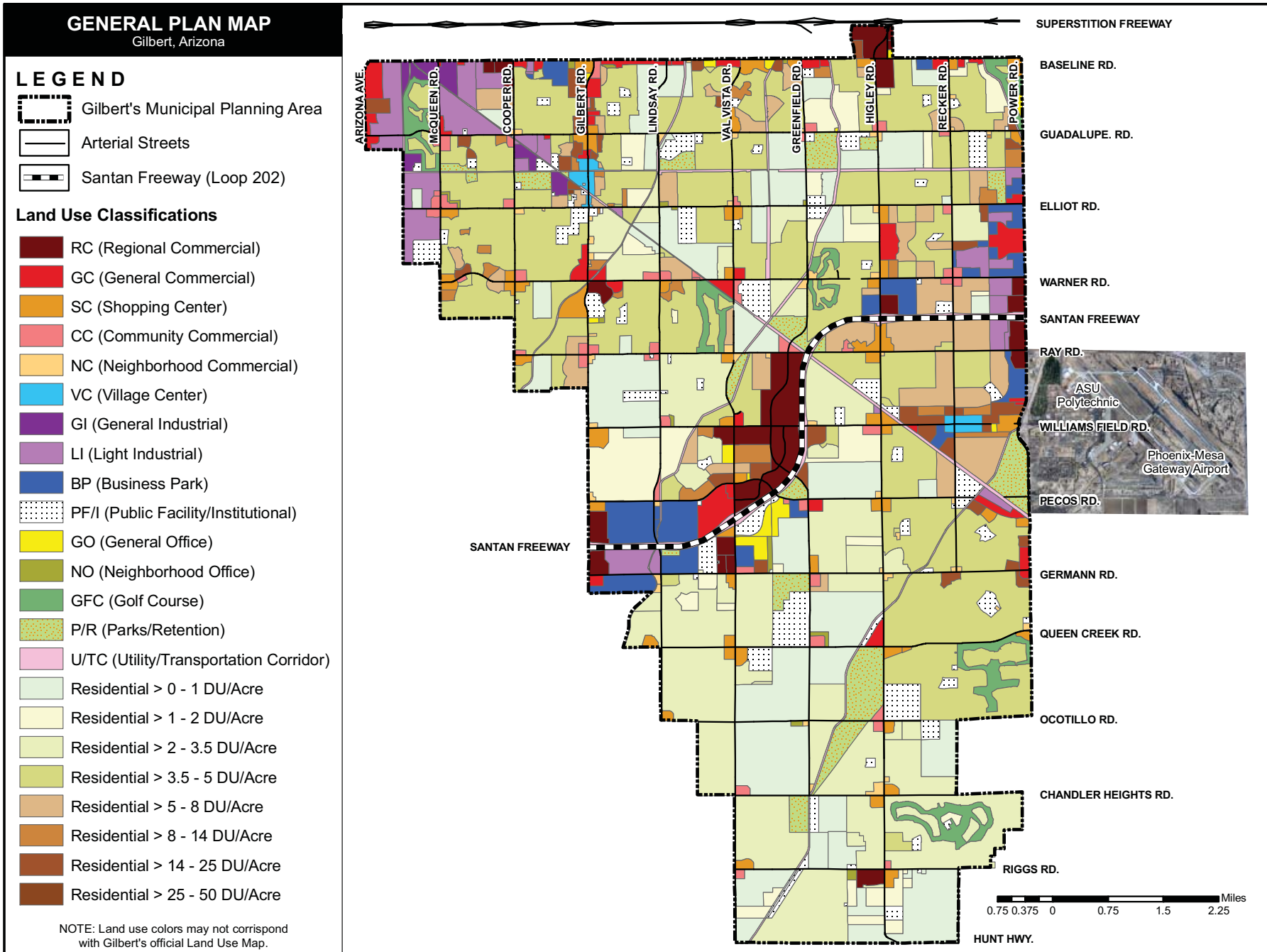
In 2012, Gilbert's per capita income was **\$28,548** with a median household income of **\$76,574** and an average household income of **\$85,672** indicating a large number of high-wage earners.

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#### Gilbert Ratings & Rankings

- 33rd Best Place to Live in the United States (CNN/Money Magazine, 2012)
- Fastest Growing Community in Arizona (Home Builders Association of Central Arizona, 2012)
- 5th Safest City in the United States (BusinessInsider.com, 2011)
- Top Places to Live and Learn (greatschools.org, 2010)

As part of the general plan and capacity development, Gilbert designated and preserved land that supports employment opportunities through commercial development. Currently, Gilbert has an existing development portfolio of 7 million-square-foot of industrial and 3.4 million-square-foot of office space with another 200 acres of light industrial and 663 acres of business park-zoned land for build-to-suit opportunities.



Gilbert, Arizona is located within Maricopa County, home to nearly four million residents and the fourth largest county in the United States. Maricopa County and the Greater Phoenix region provide a diverse, talented and skilled workforce for employers in the Science, Technology, Engineering and Mathematics (STEM) related industries.

As the six youngest metropolitan region in the nation, greater Phoenix's median age is 34.7, younger than the Denver, Los Angeles, Las Vegas, San Francisco and Seattle areas. Additionally, the area possesses one of the most educated workforces in the southwest. In fact, more than 60 percent of the population has at least some college education and the state's educational assets provide a continuous pipeline of skilled employees. In 2011, CNBC ranked Arizona's workforce higher than any other state in terms of training, quality and availability of workers.

Greater Phoenix's talented workforce derives from a continuous pipeline of professionals and entrepreneurs from various institutions including Arizona State University, Thunderbird School of Global Management, Maricopa Community Colleges, University of Phoenix, Northern Arizona University and the University of Arizona. In addition, the greater Phoenix region is home to more than 25 nationally ranked high schools and also has a strong system of highly ranked charter schools which account for nearly 10 percent of the nation's top-rated public schools.

### Arizona Workforce Facts:

- Arizona ranks fourth in bachelor's degrees conferred per 1,000 individuals 18 – 24 years old (NSF, 2007)
- Arizona ranks eighth in science and engineer doctorates conferred per 1,000 employed science and engineer doctorate holders (NSF, 2006)
- From 2002 - 2010, biosciences jobs increased by 41% in Arizona
- Phoenix is 14th in the U.S. for Healthcare jobs
- At Arizona State University, there are more than 110 entrepreneur courses
- Arizona State University is home to the world's first school of sustainability as well as renowned solar power and photovoltaic testing laboratories
- Maricopa County Community Colleges offers 23 programs in renewable energy
- Arizona Opportunity Industrialization Center's Pathways program provides training and job placement in the energy efficient and renewable electric power industries
- Arizona Women's Education and Employment, Inc. launched a project designed to train workers in green employment, including solar installers
- The State Energy Sector Partnership and Training grant has provided 4,000 Arizonans with a cleantech skill set, including energy-efficient building, green construction, renewable energy, Smart Grid, solar and thermal power

**CNBC ranked AZ #2  
for workforce**

**The Phoenix  
region's projected  
employment growth  
is 85% compared  
to a 20% national  
average**



- Greater Phoenix is home to the W.P. Carey School of Business at Arizona State University, one of the largest business schools in the United States and is internationally recognized for its leadership in business education
- Thunderbird School of Global Management is a graduate school that's currently ranked #1 for "International" Full-Time MBA and #1 "Best of International Business" Full-time MBA according to U.S. News and World Report and Financial Times respectively
- The University of Phoenix is the largest, private university in North America
- The University of Arizona is a member of the prestigious Association of American Universities (AAU), one of 63 leading public and private research universities in the United States
- Conservation Biology ranked NAU in the Top 40 (of over 300 universities) for research productivity in the area of conservation biology
- Northern Arizona University's accelerated master's in business administration program earned a spot on the Princeton Review's Best 300 Business Schools guide (2011)

	10 Minute Drive Time	15 Minute Drive Time	30 Minute Drive Time
Management	15,770	38,033	96,399
Business and financial operations	7,662	19,477	48,461
Computer and mathematical	4,988	12,397	27,898
Architecture and engineering	5,243	12,786	26,737
Life, physical, and social science	935	2,991	6,749
Community and social services	2,529	7,187	15,448
Legal	1,366	3,360	11,660
Education, training, and library	8,449	22,010	47,980
Arts, design, entertainment, sports, and media	2,617	6,808	17,920
Healthcare practitioner, technologists, and technicians	7,227	17,139	43,480
Healthcare support	2,614	6,774	14,491
Protective service	3,522	8,698	18,676
Food preparation and serving related	8,461	25,041	60,002
Building and grounds cleaning and maintenance	7,365	16,614	44,623
Personal care and service	5,484	14,270	31,835
Sales and related	21,569	52,204	121,846
Office and administrative support	26,523	64,266	140,455
Farming, fishing, and forestry	264	819	2,018
Construction and extraction	13,809	30,206	77,091
Installation, maintenance, and repair	6,686	15,454	31,823
Production	7,459	17,739	43,954
Transportation and material moving	7,286	18,113	43,964
<b>Total Workers</b>	<b>168,828</b>	<b>412,386</b>	<b>973,512</b>

Workforce Within a **10 Minute**  
Drive Time:  
**168,828**

Workforce Within a **15 Minute**  
Drive Time:  
**412,386**

Workforce Within a **30 Minute**  
Drive Time:  
**973,512**



**Site Selection**

Innovative development programs and initiatives coupled with the availability of land and existing building inventory, are key attributes making Gilbert one of the more desired site selection communities in the Phoenix metropolitan area.

**Employment Corridors**

Gilbert’s job-based, economic development platform is supported by four employment corridors specifically slated for business attraction and expansion. Anchored by a portfolio of diverse industry sector facilities/institutions, each employment corridor provides prospective clients direct access to freeways; international airports; educational institutions; retail amenities; overnight accommodations; diverse housing and a skilled **workforce of close to 1 million within a 30-minute commute.**



**Employment Corridor Anchors by Industry Sector**

- 1. Go Daddy (advanced business services)  
Orbital Sciences (aerospace & defense)  
Lockheed Martin Corporation (aerospace & defense)  
Mapfre Group (advanced business services)  
Diversified Energy (clean & renewable energy)  
EchoStar Corporation (advanced business services)

Existing Square Feet by Commercial Use  
Office: 266,036 SF | Industrial: 5,317,684 SF | Retail: 873,334 SF

- 2. Banner Gateway Medical Center (life sciences)  
Banner MD Anderson Cancer Center (life sciences)

Existing Square Feet by Commercial Use  
Office: 62,229 SF | Medical: 700,000 SF | Retail: 69,003 SF

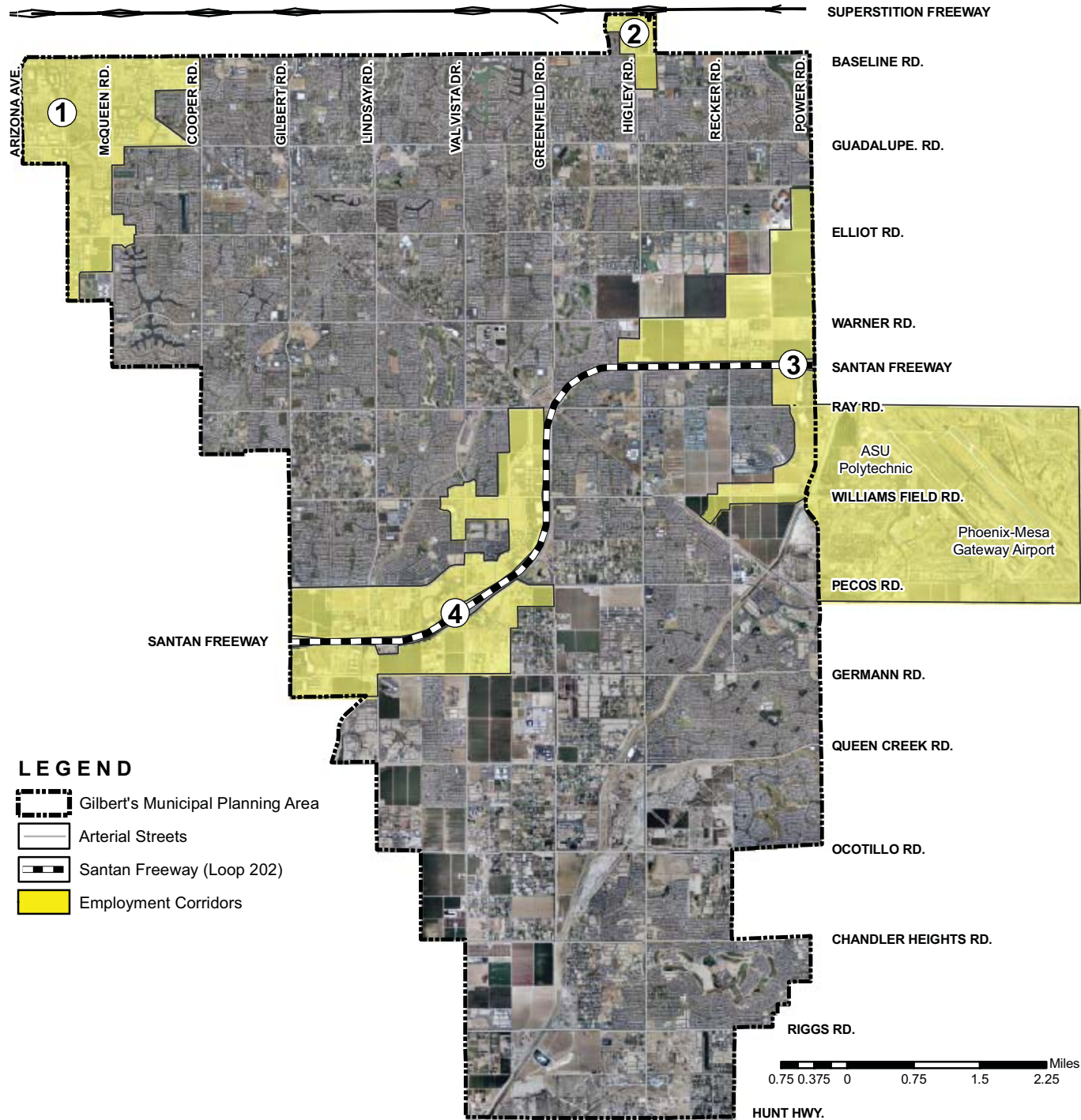
- 3. Phoenix-Mesa Gateway Airport (passenger/air cargo transportation)  
Arizona State University Polytechnic campus (education)  
Gilbert Hospital (life sciences)  
Praxis (aerospace & aviation)  
Cessna | Citation (aerospace & aviation)  
Hawker Beechcraft (aerospace & aviation)  
Allegiant Air (aerospace & aviation)  
Falcon Air (aerospace & aviation)  
Embraer Air (aerospace & aviation)  
Lockheed Martin (aerospace & defense)  
Gilbert Gateway Towne Center (regional retail)

Existing Square Feet by Commercial Use  
Office: 133,638 SF | Medical: 64,000 SF | Education: 400,000 SF  
Industrial: 502,188 | Retail: 932,369 SF

- 4. Mercy Gilbert Medical Center (life sciences)  
Celebration Stem Cell Centre (life sciences)  
Translational Research Institute (life sciences)  
Ironwood Cancer Center (life sciences)  
Sarnova Medical (life sciences)  
InData (advanced business services)  
Arizona Department of Revenue (advanced business services)  
Heliae (clean & renewable energy)  
SanTan Village (regional retail)  
Gilbert Crossroads Towne Center (regional retail)

Existing Square Feet by Commercial Use  
Office: 1,120,000 SF | Medical: 380,000 SF  
Industrial: 400,000 SF | Retail: 2,693,697 SF

**Arizona Ranked #6  
in the Country for Job  
Growth**



**LEGEND**

-  Gilbert's Municipal Planning Area
-  Arterial Streets
-  Santan Freeway (Loop 202)
-  Vertical Height Areas

**Vacant Vertical Development Overlay Parcels by Zoning Designation**

-  Commercial Retail
-  Light Industrial
-  Business Park
-  Office
-  Public Facility/Institutional

**Vertical Development Overlay Zoning District Purpose**

**AREA 1**

Land Use	Developed Acres	Vacant Acres
Commercial Retail	57.92	57.28
Office	5.22	NA

**AREA 2**

Land Use	Developed Acres	Vacant Acres
Commercial Retail	112.43	97.65
Business Park	12.29	167.84
Light Industrial	NA	48.02

**AREA 3**

Land Use	Developed Acres	Vacant Acres
Commercial Retail	6.9	109.02
Business Park	NA	32.23
Office	NA	5.12

**AREA 4**

Land Use	Developed Acres	Vacant Acres
Commercial Retail	.58	39.65
Business Park	.27	71.50

**AREA 5**

Land Use	Developed Acres	Vacant Acres
Commercial Retail	350.56	417.05
Business Park	171.84	391.51
Light Industrial	40.32	106.77
Office	11.1	73.27
Public Facility/Institutional	102.74	21.63

**Allowable Building Height/Number of Stories by Corridor/Zoning**

**AREAS 1 & 5**

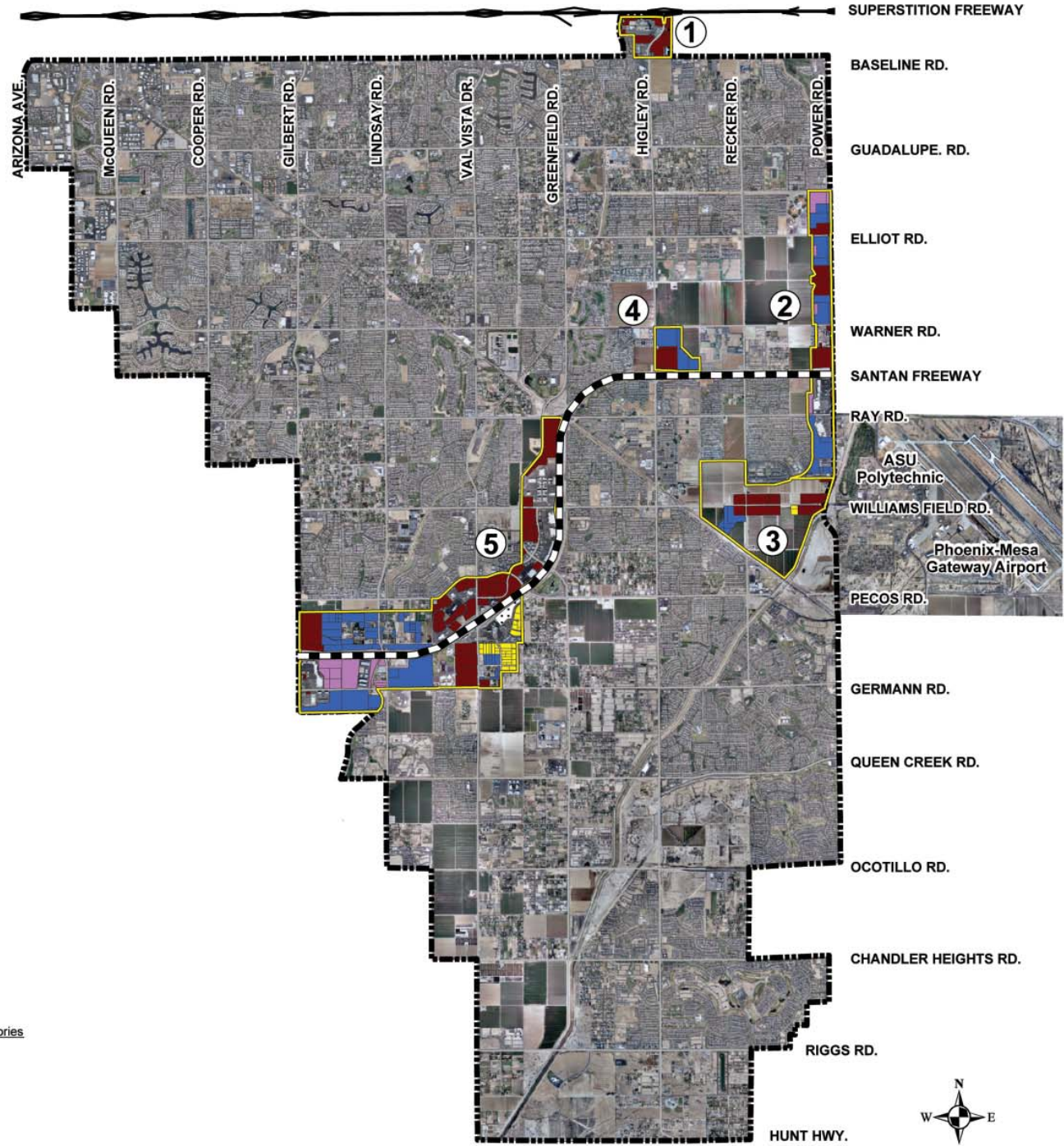
Land Use	Building Height/Stories by Right	Allowable Building Height/Stories
Regional Commercial	90/6	150/11
Business Park	90/6	150/11
General Office	90/6	150/11
Public Facility/Institutional	90/6	150/11

**AREA 3**

Land Use	Building Height/Stories by Right	Allowable Building Height/Stories
Village Center & Gilbert Business Center	90/6	150/11
Business Park	60/4	75/5
General Office	90/6	150/11

**AREAS 2 & 4**

Land Use	Building Height/Stories by Right	Allowable Building Height/Stories
Regional Commercial	75/5	105/7
General Commercial	60/4	60/4
Business Park	60/4	60/4
General Office	75/5	105/7



As part of its long term planning for capacity development, Gilbert has alleviated any uncertainty for developers through the identification of building height-by-right of large-scale commercial projects along the Central Business District which runs along the 202 freeway.

#### Vertical Development Overlay Zoning District Purpose

- Permit mid-rise buildings in the Town within a Vertical Development Overlay Zoning District.
- Provide development standards and requirements for mid-rise buildings up to 90' and/or 6 stories by right in Vertical Development Overlay Zoning Districts.
- Provide Development standards and requirements for applications for mid-rise buildings up to 11 stories if approved by the Council.
- Support the vision, goals and policies of the Gilbert General Plan by directing development into identified growth areas and promoting compact development for more efficient use of land.
- Encourage a vertical mixture of uses including complimentary retail, office, employment and residential loft units to create a vibrant urban and sustainable environment.
- Mitigate potential neighborhood safety, traffic, parking and resource impacts of taller buildings.



*The Phoenix metropolitan area included in top 20 U.S. cities for start-up companies*

*Gilbert was named the fastest growing community in Arizona in 2012*

*Our Region Boasts  
14 Airports  
and is a Regional Hub  
for Southwest Airlines*

**Ground**

Linked to the West and East coasts by a strong ground transportation network, Gilbert is eight miles from Interstate 10, a highway that extends from California to Florida, offering convenient access to other major southwest markets including Southern California and Mexico. Truck access from Arizona reaches 65 million people a day, versus 40 million from California.

Gilbert also offers connectivity to the rest of the Phoenix metropolitan area with direct access to the U.S. 60 and Loop 202 freeway. Due to its geographic location in the southeast valley, Gilbert provides for a convenient reverse commute for employers based in the community.

**Rail**

Served by the Union Pacific transcontinental rail line, Gilbert offers rail access to industrial-zoned properties along a spur located in the Northwest section of the community.

**Public Transit**

As a member agency of Valley Metro Regional Public Transportation Authority, Gilbert has developed an integrated regional transit system that provides accessibility and mobility for employees who commute into Gilbert from other areas of the greater Phoenix metropolitan region. Gilbert partners with Chandler and Mesa to operate a bus-rapid-transit service that connects the east-end light rail station that serves as a major transit hub connecting Gilbert to the region.



**Air**

**Phoenix-Mesa Gateway Airport**

Recognized as the reliever airport for passenger and freight traffic for Sky Harbor International, Phoenix-Mesa Gateway Airport is noted as one of the fastest growing commercial airports in the country. Featuring three expansive runways at 10,401, 10,201, and 9,301 feet, and two newly constructed passenger terminals, Gateway serves one million passengers each year.

Commercially, the airport is developing as an international aerospace center with aircraft maintenance, modification, testing and pilot training. More than 35 aviation companies currently operate at the airport generating over \$685 million in annual economic activity. In addition, Gateway has been designated as a Foreign Trade Zone and a Military Reuse Zone offering qualified aviation companies significant financial savings through transactional privilege tax exemptions, tax credits, and reclassification of state real and personal property taxes. According to population and growth estimates, Phoenix-Mesa Gateway Airport and surrounding areas will boast over **100,000 new jobs by 2035**, making it one of the largest employment centers in the state of Arizona.

Gateway is adjacent to a 1,000-acre education, training and research campus with Arizona State University Polytechnic, Chandler-Gilbert Community College's Aviation Division, U.S. Air Force Research Laboratory and U.S. Army Reserve Center.



## **Phoenix Sky Harbor International Airport**

Located just over 10 miles west of Gilbert, Phoenix Sky Harbor Airport is served by 17 major airlines with daily service to approximately 85 U.S. cities and 20 international cities in Europe, Canada, Mexico and Latin America.

In 2010, Sky Harbor was the 10th busiest airport in the US and the 14th busiest airport in the world. Due to the outstanding weather Sky Harbor has been in the top 10 departures and ranks 2nd for the past two years for on-time arrivals. Sky Harbor has a major presence by Southwest Airlines.

Sky Harbor cargo facilities handle over 600 tons of freight a day.



**Phoenix Sky  
Harbor Services 38  
Million Passengers  
Annually**



Gilbert, Arizona will become a net importer of bio and life science jobs within the next 20 years.

By capitalizing on the community's existing research and development activity, workforce, collaboration efforts, and already established bio and life science influencers, Gilbert will be recognized as one of the regional and national leaders within this advancing industry sector.

Recent years have seen an influx of world-class facilities, talent, innovations and public-private partnerships that mark Gilbert as a preferred environment for the industry, with particular focus emerging in the areas of oncology, regenerative medicine and cardiovascular science as a result of key anchor institutions within the community.

Within the past two years alone, Gilbert, Arizona has grown into a regional leader in life science research and treatments for cancer and for research and therapies utilizing adult stem cells. The community is conveniently located between two airports with commuting **accessibility to 100,000+ healthcare practitioners and technicians.**

In addition to stem cell, cardiovascular and oncology sciences and research, Gilbert is also gaining notoriety in other fields such as biotechnology, medical devices and equipment, and pharmaceuticals/nutraceuticals.

#### **Gilbert-Based Investment**

**Banner MD Anderson Cancer Center:** Banner Health, one of the country's largest nonprofit hospital systems, has joined internationally renowned cancer treatment and research organization, MD Anderson, offering the broadest extension of MD Anderson's cancer care program outside Houston, Texas.

Banner MD Anderson Cancer Center provides care for all types of cancers with a primary focus in breast, lung, gynecologic, gastrointestinal, prostate, and skin cancers, as well as liquid tumors such as lymphoma and leukemia.

They are currently in Phase 2 (111,000-square-foot) of the expansion to their existing 133,000-square-foot facility and already have plans in place for a Phase 3 expansion.

**Celebration Stem Cell Centre:** Registered with the FDA in 2010, Celebration is designed to process and store umbilical cord blood for potential use in patient transplant and regenerative medicine.

Primary services include the processing and banking of private umbilical cord blood, a public cord blood donation bank, and adult stem cell processing. The Stem Cell Centre also offers genetic counseling, bone marrow match testing, and a registry that will be available to the public and medical community.

**Translational Research Institute (TRI):** Celebration Stem Cell Centre recently doubled the size of its facility in Gilbert to house the Translational Research Institute. Seen as the next key component in the advancement of cellular technologies and stem cell therapy in the United States, TRI is a private company formed to develop innovative treatments for cardiovascular disease through breakthrough cellular technologies and medical devices.

TRI will fund clinical research projects and establish strategic partnerships with world-leading scientists and principal investigators in stem cell transplant therapies and regenerative medicine.

**Cardiovascular & Stem Cell Consultants (CSCC):** Focused on evidenced-based cardiovascular care, CSCC provides patients access to the newest investigational treatments for advanced cardiovascular disease such as adult stem cells and gene therapy.

Dr. Nabil Dib, MD, MSc, FACC has been conducting research and developing the newest investigational treatments for advanced cardiovascular disease for more than 10 years. He is internationally known for his research with stem cell therapy and led the first clinical trial in the U.S. for stem cell transplantation for patients with severe heart failure.

CSCC is currently enrolling in Phase I, II and III research studies using adult stem cells, angiogenesis (growing new blood vessels) and genomics in patients with heart failure, chronic chest pain, coronary artery disease and heart attacks.

### Additional Gilbert Assets

- Over 2 million-square-feet of state-of-the-art hospital and clinical research facilities including: Banner M.D. Anderson Cancer Center; the Ironwood Cancer Research Center; Mercy Gilbert Medical Center; Banner Gateway Medical Center; and Gilbert Hospital.
- Approximately **300 acres of Gilbert commercial real estate earmarked for healthcare** facilities and services.
- **Proximity to over 800 science and technology firms** provides potential for collaborative partnerships.

### Regional Assets

Further collaboration efforts exist with not only Gilbert-based anchors, but also with other regional assets:

- Arizona Biodesign Institute at Arizona State University
- AZBio
- Barrow Neurological Institute
- BioAccel
- Critical Path Institute
- Flinn Foundation
- International Genomics Consortium
- Science Foundation Arizona
- Translational Genomics Research Institute (TGen)

### Workforce

- Gilbert offers immediate access to a **workforce of 1 million individuals** within a 30 minute commute
- **100,000 healthcare practitioners and technicians** located within a 30-minute commute to the community, a number representing 71 percent of the Phoenix metropolitan area's total life sciences workforce
- **36 percent** of Gilbert residents holding a bachelor's degree or higher

### Educational Resources

- Arizona State University College of Nursing & Health Innovation
- Arizona State University College of Technology & Innovation
- A.T. Still University
- Chandler-Gilbert Community College
- Pima Medical Institute
- The Bryman School

Beyond the secondary education focus on bio medical and life sciences, **Gilbert's Campo Verde High School offers one of the state's only K-12 biomedical programs that prepare high school students for higher education degrees focused on biotechnology and life science-related jobs.** This program specifically addresses workforce needs through a concentrated science and math curriculum.

### State & Regional Influence

NIH grant funding to Arizona institutions, including universities and research organizations, **grew faster (25%) than the top-10 funded states** and the overall US.

From 2002 - 2010, **bioscience jobs increased by 41%** in Arizona, adding nearly 28,000 jobs for a total of 96,223. The research, testing and medical-labs subsector remains the largest in Arizona and has expanded fastest growing 49%.

**Biomedical jobs are growing three times faster in Arizona than the national average**





Located in the midst of the country's eighth-largest aerospace market, Gilbert, Arizona offers access to regional infrastructure, low operating costs and the commitment of state and local leaders to the aerospace and defense sector making the community an optimum location for both small and large-scale firms considering expansion or relocation.

Arizona offers both Foreign Trade Zone and Military Re-Use Zone incentives which can provide the lowest effective tax rates available anywhere in the U.S. In addition, Greater Phoenix is noted as one of the 10 safest cities in the U.S. for the absence of catastrophic weather-related events allowing for 300 days of flying time a year.

### Gilbert-Based Investment

Within the industry, Gilbert-based firms are excelling specifically in optics, satellites and FAA repair stations.

The community includes Fortune 100 **Lockheed Martin**, who established in Gilbert its lead business unit for research, development and production of world-class electro-optics and smart munitions systems. It is also the only facility in the Lockheed portfolio that provides field support for lasers.

**Orbital Sciences** develops and manufactures small- and medium-class space systems for commercial, military and civil government customers from its Gilbert, Arizona manufacturing facility and currently employs over 300 within the community.

**Praxis Resources**, formally SAI Technology, assists its customers with their production and test equipment challenges by providing custom designed and manufactured equipment solutions. Praxis continues to support avionics repairs for its worldwide customer base.

**Perform Air** specializes in hydraulic, pneumatic, electro-mechanical, and water and waste component overhaul and repair.

### Regional Assets

In addition, more than 25 companies, including Cessna, Embraer and Hawker Beechcraft, are located only half a mile from Gilbert's border in the **Phoenix-Mesa Gateway Airport's** industrial airpark, a submarket that is surrounded by a foreign trade zone.

Recognized as the reliever airport for passenger and freight traffic for Sky Harbor International, Phoenix-Mesa Gateway Airport is noted as one of the fastest growing airports in the country currently serving one million passengers each year.

Commercially, the airport is developing as an international aerospace center with aircraft maintenance, modification, testing and pilot training. More than 35 aviation companies operate at the airport generating over \$685 million in annual economic activity. In addition, Gateway has been designated as a Foreign Trade Zone and a Military Reuse Zone offering qualified aviation companies significant financial savings through transactional privilege tax exemptions, tax credits, and reclassification of state real and personal property taxes.

According to population and growth estimates, Phoenix-Mesa Gateway Airport and surrounding areas will boast over 100,000 new jobs by 2035, making it one of the largest employment centers in the state of Arizona.

### Workforce

Arizona ranks fifth among United States providers of aerospace employment, with 70 percent of the area's science and engineering workforce living within a 30-minute commute to the Gilbert community.

### Educational Assets

Adjacent to Phoenix Mesa Gateway is a 1,000-acre education, training and research campus with Arizona State University Polytechnic, Chandler-Gilbert Community College's Aviation Division, U.S. Air Force Research Laboratory and U.S. Army Reserve Center.

Both **Arizona State University Polytechnic**, and **Chandler-Gilbert Community College's Williams Campus** partner with Embry-Riddle Aeronautical University and the University of North Dakota's top-flight training school, preparing the needed workforce in engineering, aviation, information technology and automated manufacturing systems.

The **Arizona State University College of Technology and Innovation** offers the industry access to expertise and facilities specifically focused on improvements and advancements, such as flight simulators, the Otteson Air Traffic Control Simulation Laboratory, the Del E. Webb Foundation High Altitude Chamber, Cognitive Engineering Research on Team Tasks (CERTT) Laboratory and the Aerospace Defense Research Collaboratory.



Investment from the clean and renewable energy sector has been significant in Arizona with the passage of the Quality Jobs Through Renewable Industries program that allows companies making new investment in manufacturing and/or headquarter operations in renewable energy industries eligible for a refundable corporate income tax credit up to 10% of the capital investment and an 80% reduction in real and personal property taxes.

Since its implementation in 2010, this new program is responsible for the investment of 14 new renewable industries companies, creating 6,300 net new jobs and generated \$1.82 billion in capital investment in Arizona making the state #1 in the nation for renewable energy as noted by Business Facilities magazine.

### **Gilbert-Based Investment**

With the Arizona Corporation Commission requiring that all regulated utilities produce 15% of their electricity from renewable sources by the year 2025, Gilbert, Arizona, is in an advantageous position to see substantial job creation in its high-growth, high-demand sustainability and diversified energy sectors.


Headquartered in Gilbert, **Heliae Development, LLC**'s facility develops, designs, and delivers technology solutions that enable sustainable, industrial-scale production of food, fuel, and bio-chemicals from algae.

As innovators and integrators of technology, Heliae's processes help companies worldwide convert free sunlight and industrial waste-streams into the affordable, renewable food and drop-in transportation fuels. Heliae recently expanded its research and production facility through a partnership with Gilbert on a 20 acre lease of community-owned property.

Heliae founder, Frank Mars, attributes the organization's selection of Gilbert to the proximity of Arizona State University and the partnership and support the company has received from Arizona State University and the Science Foundation of Arizona.

**REV Biodiesel**, a division of Pure Earth Energy Resources, LLC, produces 40,000 gallons of B99 biodiesel fuel per day. Total annual production will eventually reach 10 million gallons per year with the opportunity for 30 million gallons a year at full production making it the largest biodiesel production facility in the state.

Headquartered in Gilbert since 2005, **Diversified Energy Corporation** is a privately held, alternative and renewable energy company focused on developing commercial energy projects and providing engineering services support to project developers. Principal areas of expertise include gasification, biofuels, next-generation feedstocks, and bioenergy-related economic modeling and commercialization planning.



**Arizona is the #1 state in the nation for renewable energy**

### **Educational Assets**

Arizona is home to the nation's only photovoltaic testing laboratory at **Arizona State University Polytechnic**. The most comprehensive, sophisticated, state-of-the-art facility in the world for testing and certification of solar energy companies' equipment advancing solar energy research, education and technology.

The Arizona State University Polytechnic campus also offers access to one of the nation's top forward-thinking programs at the College of Technology and Innovation. The college houses research and development facilities in many sectors, including clean and renewable energy, featuring:

- Advanced Technology Innovation Center
- Laboratory for Algae Research and Biotechnology
- Vocational Training and Education for Clean Energy
- Fuel Cell Laboratory

### **Greater Phoenix Region Solar Power Advantages**

- Home to the world's two largest solar companies: **First Solar and Suntech**.
- More than 100 established solar companies operate in Arizona.
- Top two market for concentrated semiconductor workforce relative to total employment.
- Solana, a 280-megawatt concentrating solar power plant is the largest such project on private land in the U.S.
- Arizona is home to the largest photovoltaic array on U.S. government land with a 15-megawatt plant under construction on an existing air force base.

A collection of companies in various technology specialties along with the region's higher education institutions dedicated to research and development in emerging technologies make Gilbert, Arizona an opportunity for expansion or establishment of high technology operations.

American Electronics Association (AeA), the largest technology association in the United States, ranked Arizona fourth in the nation for semiconductor production. Contributing to the statewide movement in next-generation technology solutions, Gilbert is steering advancements in component manufacturing, sensor technology, electronics, computing, and research and development.

### Gilbert-Based Investment

One such innovator, **Colnatec. LLC**, designs, develops and manufactures state-of-the-art sensors and electronic instrumentation used in the production of thin film solar cells, OLED displays, optics, high speed electrical devices and semiconductor wafers. In keeping with its rapid growth in the sector, Colnatec credits Gilbert with being able to meet all of the physical, technical and infrastructure requirements for not only their corporate offices, but also for their R&D and manufacturing facilities.

Colnatec is the holder of numerous patents, the recipient of a Department of Energy Phase I and Phase II SBIR Awards for a revolutionary sensor to be used in manufacturing CIGS solar cells, and one of 8 winners of the Arizona Commerce Authority Innovation Challenge Grant Program to promote innovation in the technology sector.

As a high technology contract design and manufacturing organization, **Pure-Logic Industries, Inc.** provides a one-stop solution for Original Equipment Manufacturers (O.E.M.'s) seeking to consolidate their vendor base. Pure-Logic will evaluate product features and collaborate with clients on product enhancements and cost management. Focused industries include: medical and semi-conductor equipment, aerospace component, bio-pharmaceutical equipment and commercial products.



### Educational Assets

Gilbert-based companies enjoy benefits from decades of investment in local education and workforce development initiatives, as well as access to more than 65,000 manufacturing and service technicians within a 30-minute commute.

The nearby presence of the **Chandler-Gilbert Community College**, as well as the **College of Technology and Innovation at Arizona State University Polytechnic** gives Gilbert an added advantage, producing a population of educated and forward-thinking innovators for the future of the high technology sector. The college houses several laboratories offering compelling opportunities for collaboration, research and commercialization of intellectual property, including:

- Applied Cognitive Theory, Usability and Advanced Learning Laboratory
- Imaging and 3D Data Exploitation and Analysis Laboratory
- Advanced Technology Innovation Center
- Human Machine Integrate Laboratory
- Human Technology Interaction Lab

With the continued growth Gilbert is experiencing in anchor institutions and population, the need for advanced business services is at a steady increase.

Businesses based in Gilbert benefit from a highly educated workforce with over 36% of the community holding a bachelor's degree or higher, and an entrepreneurial spirit that includes one of the largest concentrations of home-based businesses in Arizona.

Specialists in accounting, financial analysis, law, design, marketing, insurance, architecture, engineering, venture capital, investment banking, real estate, and data centers, among others, will find a growing client base in Gilbert and its surrounding communities. These firms will be able to service clients globally with access to a workforce of 1 million, and 80 percent of the area's advanced business specialists, within a 30-minute commute.

Gilbert's enterprise-friendly environment has underwritten success for businesses ranging from small home-based operations to mid-sized and large companies. This includes an existing inventory of 3.5 million-square-foot of commercial office space and over 1000 acres of shovel ready dirt zoned for office use.

In addition, Gilbert's proximity to Phoenix Sky Harbor International Airport and Phoenix-Mesa Gateway Airport, as well as easy freeway access, provides convenience in regional and international travel.

**Gilbert-Based Investment**

A principal provider of information technology consulting services for the education market, **Unicon, Inc.** has tripled in size since locating its headquarters to the community in 2009. Unicon operates a 30,000-square-foot office with 134 high-wage employees.

**GoDaddy.com**, a worldwide leading Internet domain registrar and web-hosting company that also sells e-business-related software and services continues to expand within Gilbert adding another 18,000-square-foot of space and \$2.49 million in capital investment in 2011. And with the addition of another 200 employees, GoDaddy continues to be one of the community's largest employers with over 700 employees.

Spain-based **Mapfre Group** chose Gilbert for an insurance center that houses the western claims center, automobile and homeowner's claims staff, underwriters and marketing representatives.

**EchoStar Corporation**, a leader in service to satellite, IPTV, cable, terrestrial, and consumer electronics markets worldwide, operates an uplink facility from the Gilbert community. Highly trained engineers, technicians and operators work 24 hours a day, seven days a week, to ensure superior signal transmission while continuously improving signal quality for customer satisfaction.

**Educational Assets**

The nearby presence of **Arizona State University (ASU) Polytechnic** and **Chandler-Gilbert Community College** not only train and educate tomorrow's business leaders, they also provide an environment of innovation and entrepreneurship.

New and existing businesses can participate in a variety of programs at the ASU Knowledge and Enterprise Development center, and the **ASU College of Technology and Innovation** allows students and faculty to work together across disciplines to create, design and develop innovative solutions to real-world problems. Labs directly benefiting the advanced business services sector include:

- Laboratory for Enterprise Application and Development
- Human Technology Interaction Lab
- Advanced Technology Center
- Applied Pyschonomics and Ecological Simulations Laboratory
- Cognitive Engineering Research on Team Tasks Laboratory



Excellence in education is essential for Gilbert’s strategic growth and of integral importance to the community’s workforce development. As a result, it is necessary to align educational curriculum with Gilbert’s industry needs to provide for tomorrow’s workforce.

**K-12 Education**

Gilbert has a nationally ranked K–12 system through the Gilbert and Chandler public school districts. Students attending public school in Gilbert average better scores on the SAT and ACT than the state and national counterparts.

In addition, Gilbert’s Public School (GPS) system produced 15 National Merit scholars and 240 Advanced Place Scholar Awards in 2011. The district also includes two Blue Ribbon Award schools.

- Graduation rate of over 90% (vs. Arizona Average at 76%)
- Experienced teachers (only 13% in first 3 years vs. 20% statewide)
- Represents the highest number of National Board Certified Teachers at 105
- More than half of GPS teachers have advanced degrees

Two GPS high schools (Campo Verde High School and Desert Ridge High School) participate in the STEM (Science, Technology, Engineering, and Mathematics) Diploma program which focuses on preparing students to enter college in the science and technology degree programs. This diploma allows students to enter college as sophomores by taking college level courses during their senior year of high school. Two additional schools (Gilbert High School and Mesquite High School) are slated to participate in STEM diploma programs.

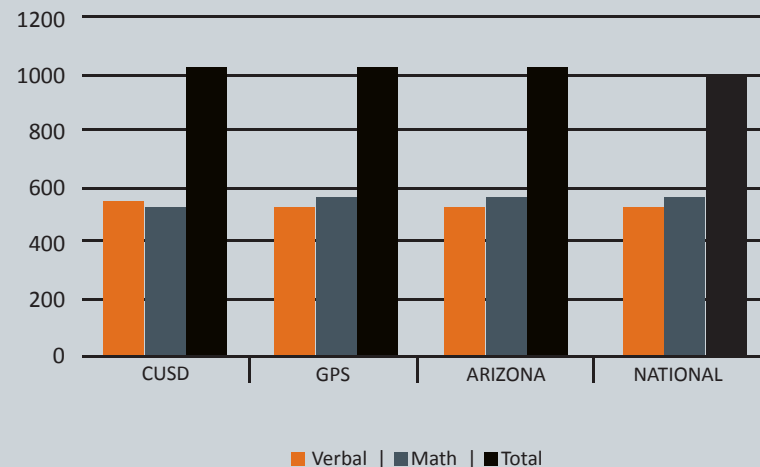
GPS also offers one of the state’s only biomedical programs at the 9-12 level through Campo Verde High School. Campo Verde prepares high school students for higher education degrees focused on biomedical science-related jobs specifically to address workforce needs thru a concentrated science and math curriculum.

In addition to public education, Gilbert is home to 18 charter schools and offers unique magnet school programs within the community.

General Data for Gilbert, Arizona School Districts 2009-2010

	Gilbert	Higley	Chandler
<b>District</b>	60.75 sq m	24 sq m	80 sq m
<b>Expenditure Per pupil</b>	\$6,369	\$6,024	\$6,629
<b>High School Grad</b>	93%	87%	91%
<b>Enrollment Size</b>	36,599	9,502	37,390
<b>Teacher/Student</b>	1:17.3	1:18.9	1:19.7
<b>Number of Schools</b>	40	10	41

Gilbert and Chandler Public Schools SAT Scores 2010



## Higher Education

### Arizona State University

Arizona State University (ASU) is a tier one research university with over 250 majors for undergraduate students, as well as over 100 graduate, professional and doctoral programs. The University hosts one of the largest student populations in the United States with 72,250 students across four campuses.

- The Nation Science Foundation ranked ASU 4th in R&D funding in the bio/biomedical engineering fields for 2009
- ASU produced the second highest number of Fulbright Scholars among public universities in the U.S.
- USA Today named ASU one of the 100 Best Value Colleges for 2010
- ASU's Barrett Honors College produced 613 National Merit Scholars and 362 National Hispanic Scholars in 2010.

### Arizona State University Polytechnic Campus

The curriculum at ASU's Polytechnic Campus focuses on engineering, aviation, math, science, technology, entrepreneurship and management. The campus is home to more than 40 degree programs with over 10,521 students. The 600 acre campus is adjacent to the Phoenix-Mesa Gateway Airport, one of the fastest growing commercial airport in the nation offering hands-on aviation and defense education.

### Arizona State University College of Technology and Innovation

The College offers 34 undergraduate and 14 graduate degrees with 45 advanced learning and research laboratories partnering industry with real world learning in the fields of science, engineering, technology and entrepreneurship. Students and faculty work together across disciplines to create, design and develop innovative solutions to real-world problems, transforming basic discoveries into enterprise.

### Maricopa Community Colleges

#### Chandler Gilbert Community College

Providing higher education in the Phoenix southeast valley since 1985, Chandler-Gilbert Community College (CGCC) serves more than 17,000 students annually and offers transferability to four year degree programs. CGCC is a leader in producing a qualified workforce through its 37 associate's degree programs that include biomedical research technology, nursing, law enforcement, pharmacy technology and solar installation.

In addition, CGCC offers strategic educational programming in aviation, information technologies, teacher education, engineering, automated manufacturing systems, electric utility, and crime and intelligence analysis.

As part of the larger, Maricopa Community Colleges system, CGCC has two campuses serving Gilbert including the Williams Campus shared with Arizona State University, Embry Riddle Aeronautical University and an Air Force research laboratory.

### AT Still University

ATSU is a private health sciences university offering advanced medical degrees through the School of Osteopathic Medicine; School of Dentistry and Oral Health; and the School of Health Sciences. ATSU has over 10,000 students enrolled in Arizona pursuing one of 13 master's and doctorate degrees. ATSU is one of three medical schools in Arizona and the only dental school in the state.

### Thunderbird School of Global Management

Thunderbird is the world's #1 ranked school of international business with more than 65 years of experience in producing global managers who are distinguished by a global mindset that allows them to work successfully with individuals from diverse cultures and to manage effectively in different social, economic, and political environments. Thunderbird is sought out by individuals and companies worldwide. Thunderbird was also the first business school to adopt an official Professional Oath of Honor.



**ASU is ranked  
among the top 25  
global businesses  
schools**



Gilbert, Arizona offers 9.8 million-square-feet of retail use and over 700 acres of designated open space for recreation and entertainment providing a genuine quality of life that translates to a thriving and diverse community.

Nationally recognized as the 33rd best place to live in the United States (CNN/Money Magazine, 2010) and the 5th safest city in the country (Business Insider, 2011), Gilbert offers a population of 220,000 with an average age of 31.37 and a disposable income of \$1.73 billion. Leading demographics include moderate- to high-income-producing residents with a 36% educational attainment of a college degree or higher. Many retain management or white-collar tech positions and range in age from 25 to 54.

For residents, as well as employers locating or expanding, Gilbert offers a lively variety of experiences that showcase both natural and cultural diversity as well as historical and modern amenities.

As one of the country's fastest growing communities, Gilbert has kept pace with new dining establishments, shopping venues and hospitality establishments. Hotels such as the Hyatt Place, Hampton Inn, Western Legacy Suites, Marriott Residence Inn and the Doubletree Hotel and Conference Center are hosting both corporate visitors and vacationers alike.

Recognized as the reliever airport for passenger and freight traffic for Sky Harbor International, Phoenix-Mesa Gateway Airport is noted as one of the fastest growing commercial airports in the country serving over one million passengers each year. Directly adjacent to the community, commercial air service is provided through Allegiant, Frontier, and Spirit Airlines. The community also benefits from a 25 minute commute to Sky Harbor International, the region's primary airport.

Representative of a true lifestyle center, Gilbert hosts open-air shopping and entertainment pavilions such as SanTan Village, a mixed-use, urban village that includes 1.2 million-square-feet of office, retail and entertainment complete with nationally recognized restaurants and live concerts. And the Higley Center for the Performing Arts offers live theater productions.

Nationally recognized among bird enthusiasts, the Gilbert Riparian Preserve attracts international visitors to view over 200 different species of birds. The Preserve also entices astrologers and stargazers with the Gilbert Observatory.

The 42-acre Big League Dreams complex offers eight scaled-down ball fields replicated from famous major-league baseball stadiums such as Fenway Park, Wrigley Field and Yankee Stadium. Polar Ice hosts two ice rinks for both recreation and local hockey teams. And nestled next to the Santan Mountains, one of Arizona's most notable landmarks, lies the Trilogy Golf Club. Recognized as an award-winning golf course, Trilogy offers a 6,800-yard, par-71 championship course designed by Dick Bailey.

Gilbert's Downtown Heritage District offers a unique experience with award-winning live theatre, privately owned restaurant and dining opportunities, as well as boutique shopping adjacent to the Gilbert Historical Museum. Downtown also includes the Heritage Marketplace, a 90,000-square-foot mixed-use office and retail development.

In addition, as a suburb of the Phoenix metropolitan area, Gilbert's residents and employers have access to the region's cosmopolitan offerings of fine dining, performing arts, world-class shopping, multiple golf courses, award-winning resorts and professional sports.



**Phoenix is home to five professional sports teams and 325 golf courses**

**Business Assistance****Gilbert Office of Economic Development**

Gilbert's Office of Economic Development is committed to the attraction and retention of business and industry to the Gilbert community. The office provides expert site selection services, operational cost analysis, incentive comparisons, workforce studies and the ability to connect knowledge assets that spur innovation.

**Greater Phoenix Economic Council**

As a public/private partnership, the Greater Phoenix Economic Council (GPEC) is a cooperative effort of many groups. GPEC's goals include marketing the region to generate qualified business/industry prospects and leveraging public/private resources to locate prospects and improve competitiveness.

**Arizona Commerce Authority**

The Arizona Commerce Authority (ACA) works with communities, businesses and other economic development organizations to build the foundation for a strong economy through the development of competitive industries and sustainable communities. The ACA provides state-wide site selection, incentives and business resource assistance for both domestic and international firms.

**Workforce Development****Center for Workforce Development**

The Maricopa Community Colleges provide customized workforce training for thousands of employees within various industries in the Phoenix metropolitan area.

**Maricopa Workforce Connections**

As Maricopa County's Workforce Development Division, Maricopa Workforce Connections provides a One-Stop Center offering range of services for employers and job seekers in order to address workforce development needs.

**Job Service/East Valley Employment**

The Job Service provides a variety of services to help employers fill jobs by finding qualified employees of all types. Services include screening of applicants and use of offices for interviewing prospective employees.

**Small Business****Gilbert Small Business Alliance**

The Gilbert Small Business Alliance is an organization dedicated to serving local small business interests through aggressive advocacy of municipal policies, education of local issues, and individual assistance for small businesses facing obstacles. The GSBA also provides business networking and collaboration between business owners. The GSBA is committed to accountability, productive action, and free enterprise principles.

**Gilbert Chamber of Commerce**

The Gilbert Chamber of Commerce is a nonprofit, membership-based organization representing more than 530 members ranging from home-based businesses to large corporations and more than 47,000 employees. For more than 33 years, it has been the mission of the Gilbert Chamber to serve as the business community advocate to strengthen the business climate in Gilbert by developing long-term strategies to serve our business community.

**Small Business Services**

The Arizona Commerce Authority (ACA) Small Business Services is a step-by-step online resource center available to answer questions and to generate a customized list of resources based on requested business requirements for every stage of the small-business development process.

**U.S. Small Business Administration**

The mission of the U.S. Small Business Administration (SBA) is to help America's entrepreneurs start, build and grow businesses. SBA programs stimulate capital formation, economic growth and job creation. The SBA Arizona District offers the Basic 7(a) Loan Guarantee Program, CDC/504 Loan Program, SBA Express Loan Program and SBA Microloan Program.

**Arizona Small Business Development Center**

In partnership with the U.S. Small Business Administration, the Arizona Small Business Development Center (AZSBDC) offers free one-on-one counseling to small-business owners. Experienced counselors offer information on business plan development, financial planning, human resources, market feasibility and research, cash flow analysis, technology development, sales, marketing, SBA loan assistance and more.



# APPENDIX



Marked by an ever-evolving pro-business climate, Gilbert, Arizona benefits from significant incentive programs on the state and local levels. These programs provide qualifying Gilbert-based businesses with significant reductions in property, sales and income tax liabilities.

### Additional Depreciation

Additional depreciation schedule to encourage new capital investment by reducing personal property tax liability on class 1 (commercial and industrial) and class 2 (agricultural) personal property. The additional depreciation schedule is applied to the first five years of the property assessment and accelerates depreciation to 89% of the scheduled value in year five.

### Algaculture

Defined as the controlled propagation, growth and harvest of algae, algaculture is classed as agricultural property and therefore evaluated at a 16% commercial property assessment.

### Angel Investment Tax Credit

Income tax credit of up to 30% of the investment amount (35% for investment in bioscience) available to those who invest in a qualified small business with no more than \$10 million in assets. Capital gains tax eliminated on income derived from investment and a decrease on long-term capital gains.

### Arizona Competes Fund

An annual state-wide closing fund of \$25 million. A portion is available to qualified organizations achieving performance measures that stimulate and promote industries that provide stable, high-wage jobs.

### Arizona Innovation Accelerator Fund

The Arizona Innovation Accelerator Fund (AIAF) Program is an \$18.2 million loan participation program. Loans are made in collaboration with private finance partners and can be used for business purposes such as working capital, inventory, equipment purchase, and real property improvements.

### AZFAST Grants

Specifically designed for entrepreneurs to develop and commercialize global technology by accessing Small Business Innovation Research (SBIR) and Small Business Technology Transfer (STTR) federal funding.

### Bonus Depreciation

Allows an individual income tax deduction of 10% of the federal bonus depreciation for personal property placed in service for TY2013.

### Business Property Tax Exemption Amount

Business personal property tax exemption amount is calculated so that the exempt amount is raised from approximately \$68,000 to \$125,000.

### Capital Gains Tax

Allows individuals to deduct a portion of net long term capital gains included in federal adjusted gross income from Arizona adjusted gross income on assets. On the highest income tax bracket, this will result in an effective rate of 3.405%. Arizona joins eight other states that have a lower rate on capital gain taxes than standard taxes.

### Commercial Solar Energy Tax Credit Program

Businesses that install solar energy devices qualify for a tax credit equal to 10% of the associated installation costs. The credit is useful for offsetting state income tax liability as well as for supporting alternative energy initiatives.

### Corporate Tax Allocation Sales Factor

Allows service-based companies with at least 85% of sales outside Arizona to elect tax liability based on the location of the buyer (in-state or out-of-state) when calculating applicable income for corporate taxes. This further enhances legislation passed in 2011 that increases the electable sales factor for multi-state corporations from 80% to 100% between FY2014-2017.

### Corporate Income Tax

Corporate tax rate reduction from 6.97% phased down to 4.9% beginning in 2014.

### Foreign Trade Zone (FTZ)

Arizona is the only state that has provides businesses in a designated FTZ, or subzone, eligibility for an 75% reduction in state real and personal property taxes. Gilbert has available commercial land within a foreign trade subzone.

### Government Property Lease Excise Tax (GPLET) Program

Available to businesses that lease parcels from the community government rather than own them outright, the program waives all real property tax, replacing it with an excise tax at a rate established per square foot and based upon type of use. Every 10 years the rate drops by 20% until it reaches the 51st year, at which point the tax drops to zero.

### Net Operating Loss (NOL) Carry Forward

Confirms with the federal treatment of NOL carry-forward expanding from five to 20 years allowing additional reductions in tax liability in profitable years.

#### Job Training Program

A job-specific, reimbursable grant program that supports the design and delivery of customized training plans for employers creating new jobs or increasing the skill and wage levels of current employees. An employer creating net new jobs can receive up to a 75% reimbursement of eligible training expenses. An employer seeking to supplement current training programs of existing employees may receive up to a 50% reimbursement of eligible training expenses.

#### Private Activity Bonds

Available for projects related to: industrial and manufacturing facilities; creation of intellectual property; corporate headquarters; health care institutions; and research and development facilities. The program allows a company to issue bonds up to \$10 million. For the majority of bondholders, interest on the bonds is exempt from federal income tax.

#### Property Tax Reform

Reduction of business property tax (class 1) assessment ratios from 20% to 18%.

#### Quality Jobs

A performance-based tax credit on net new job creation of up to \$9,000 per employee over three years. The program allows first year credits to be claimed for 3 subsequent tax years once program requirements are met.

#### Qualified Facility Income Tax Credit

\$70 million/year refundable tax credit for Headquarter, manufacturing and research and development operations of export-oriented companies eligible for a refundable tax credit up to 10% of projected capital investment or \$20,000 per net new job created.

#### Quality Jobs through Renewable Industries

Businesses making new investment in manufacturing and/or headquarter operations in renewable energy industries are eligible for a refundable corporate income tax credit up to 10% of the capital investment and a 75% reduction in real and personal property taxes.

#### Research & Development Tax Credit

Companies performing qualified research and development in Arizona, including company-funded research at a state university, may receive an income tax credit equal to 15% to 24%. Recent legislation enhances this tax credit by 10% if increased research and development expenditures are made in cooperation with an Arizona university. Companies with less than 150 employees may elect to take a refundable tax credit.

#### Small Business Capital Investment Tax Credit Program

Designed for those who invest in small businesses, the program allows for an income tax credit of up to 35% of the qualifying small-business investment amount over a period of three years.

#### Transaction Privilege and Use Tax Exemption

Sales of machinery and equipment used directly in manufacturing operation are exempt from the state transaction privilege and use tax.

### **Gilbert, Arizona Incentive Programs**

#### Economic Development Reserve Fund

An annual closing fund of \$5 million. A portion is available to qualified organizations achieving performance measures that stimulate and promote industries that provide capital investment and high-wage jobs.

#### Gilbert Industrial Development Authority

The Gilbert Industrial Development Authority encourages economic growth and job creation by making low-interest loans through the issuance of tax-exempt bonds that are typically 1% to 2% below conventional loan financing. Financing is available to qualified projects that will further the community's vision for job creation and sustainability.

#### Accelerated Permitting

Designed to streamline the commercial development review process, Gilbert's accelerated permitting practice involves ongoing collaboration between the client and Gilbert's development services staff through a mutually agreed upon schedule during the entire life of the project to ensure process efficiency that translates into a direct cost savings to the client.

Arizona has taken giant strides over the years to keep business taxes low and improve business tax credits and other economic development programs. Companies have enjoyed consistent decreases in average employer and individual tax rates over the last decade. Not only that, but the region also boasts a minimalist regulatory approach. Outside of the competitive business tax incentives, here's a snapshot of some of the benefits your business could enjoy here:

- No corporate franchise tax
- No income tax on dividends from out-of-state subsidiaries
- No worldwide unitary tax
- Aggressive accelerated depreciation schedules
- 80 percent sales factor for corporate income tax, ramping up to a 100 percent option
- Low total payroll costs, including some of the lowest Fringe and Mandated Benefits in the county
- No sales tax on manufacturing equipment
- No inventory tax
- Low unionization
- Low workman's comp and unemployment insurance
- Right-to-work state
- 90-day-or-less permitting

### Mandated Benefits

	2011
Rank: Unemployment Insurance Taxes	2nd Lowest in the U.S.
Unemployment Insurance Weekly Benefits:	\$60 - \$240
Rank: Workers Comp Premium Rates	14th Lowest in the U.S.
Premium Rates Range:	\$1.50 - \$1.99

### Unemployment Insurance Taxes Per Employee

	Dollars (\$)
Arizona	140.00
New Mexico	438.00
Texas	243.00
Utah	343.20
California	238.00
Nevada	784.70
Colorado	170.00

### Workers Comp Premiums Per \$100

	Dollars (\$)
Arizona	1.71
Utah	1.46
New Mexico	1.91
Nevada	2.13
Texas	2.38
California	2.68
Colorado	1.39

**Corporate Income Tax is Declining**

	2011	2017
Net Corporate Income Tax Rate	6.9%	4.9%

**City Imposed Sales Tax**

	Gilbert	Arizona
Sales Tax Rate	1.5%	6.3%

**Personal income Tax Rates Average for U.S.**

Single	Married	2011 Rate
First \$10,000	First \$20,000	2.59%
Next \$15,000	Next \$30,000	2.88%
Next \$25,000	Next \$50,000	3.36%
Next \$100,000	Next \$200,000	4.24%
Amount Over \$150,000	Amount Over \$300,000	4.54%

**Unionization Rate**

2010 Membership	Private Sector	Total
Atlanta	2.4%	3.7%
Dallas	3.4%	5.4%
Salt Lake City	3.4%	5.1%
Denver	4.3%	7.5%
Los Angeles	9.0%	16.7%
Las Vegas	12.0%	16.1%
Seattle	10.9%	17.0%
Greater Phoenix	3.3%	6.4%

**Town of Gilbert Office of Economic Development**

The Office of Economic Development is committed to attracting, growing and retaining business and industry to the Gilbert community. The Office provides expert site selection services inclusive of:

- Operational cost analysis
- Incentive comparisons
- Economic impact analysis

### Electric

With average commercial electric costs at 5 to 7 cents per kilowatt-hour, Gilbert, Arizona, offers a significant utility cost savings to large electrical power users.

Low electric costs, aided by a dry climate and a location at low risk for most natural disasters, the Greater Phoenix area has seen explosive growth in data centers over the past several years, primarily from West Coast companies.

### Salt River Project

SRP has been a leading force in the development of the greater Phoenix metropolitan area for more than 100 years as a water and power provider and a community partner. SRP provides power to more than 949,000 customers in 15 cities. The ability to attract and grow new business is directly tied to SRP resources. SRP is in a unique position to provide customers with power, water resources and telecom services.

### Arizona Public Service

Phoenix-based Arizona Public Service Company (APS) is Arizona's largest and longest serving electric utility, providing power for more than 1.1 million customers in 11 of the state's 15 counties. APS is creating a sustainable energy future for Arizona through a combination of increased renewable energy and energy efficiency.

### Natural Gas

The current utility provider, Southwest Gas, serves one million customers in Arizona including both residential and commercial business.

### Water

The two primary water sources in Arizona are surface and ground water. Surface water originates from the Salt, Verde and Colorado Rivers and distributed throughout Arizona through a network of reservoirs and a 335-mile long canal system. Groundwater is accessible to Gilbert through 18 wells located within its service area for a production total of up to 90 million gallons of potable water per day.

Gilbert is committed to utilizing 100% of the community's wastewater. Wastewater treatment plants produce high-quality, reclaimed water used for groundwater recharge that builds reserves for future potable water use. Reclaimed water is also supplied for the irrigation of parks, school grounds, golf courses and landscape areas. Gilbert has the ability to pump groundwater from 18 wells located within its service area for a production total of up to 90 million gallons of potable water per day.

Currently, Gilbert produces approximately 16,000 acre-feet per year of reclaimed water, or an average of 14.0 million gallons per day.

The Phoenix metropolitan area's water system is specifically designed to provide a dependable water supply during prolonged periods of drought. As such, Gilbert participates in the assured Water Supply program in which water providers must demonstrate that sufficient water supplies of adequate quality are available to meet proposed development needs for 100 years.

### Broadband Connectivity

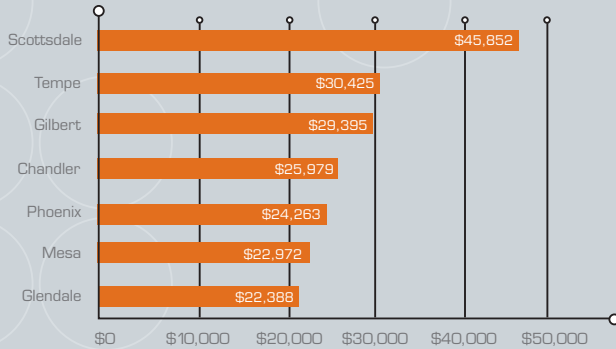
The Phoenix metropolitan area hosts one of the top five regional fiber-optic optic deployments in the U.S., with over 156,000 route miles of fiber-optic network capacity.



Gilbert's residents are embarking on the prolific years of their careers with over **32%** of the population between the ages of 25 and 44 and **35.8%** holding a bachelor's degree or higher. In 2012, Gilbert's per capita income was **\$28,548** with a median household income of **\$76,574** and an average household income of **\$85,672** indicating a large number of high-wage earners.

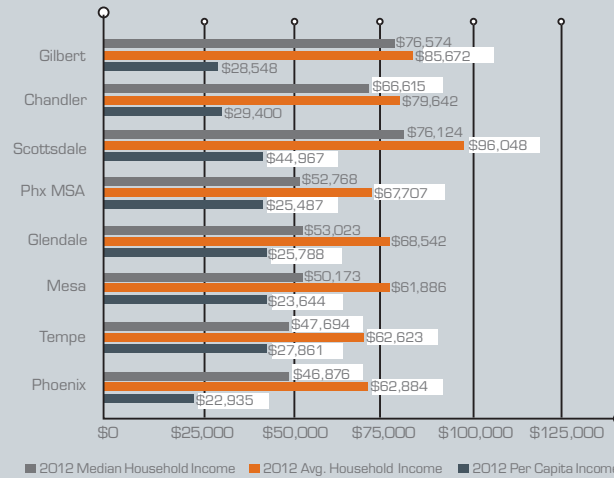
### 2010 Per Capita Income

Source: ESRI 2010 demographics; estimated

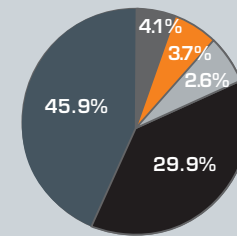


### 2012 Median Household Income

Source: ERSI Business Analyst, Online (2012)



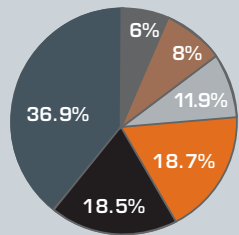
### Top Psychographic Segments (by % Households)



- Up and Coming Families
- Boomburbs
- Enterprising Professionals
- Milk and Cookies
- Silver and Gold

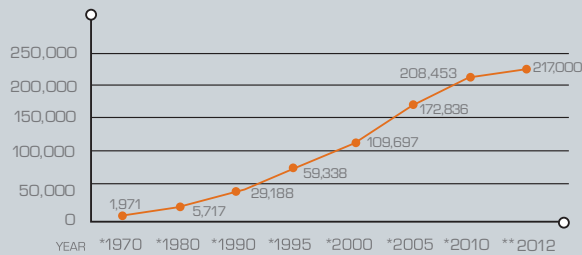
### Population by Age

Median Age: 31.5 years



- Under 19
- Age 20 and up
- Age 35 and up
- Age 44 and up
- Age 55 and up
- Age 65 and up

### 2010 Population Trends

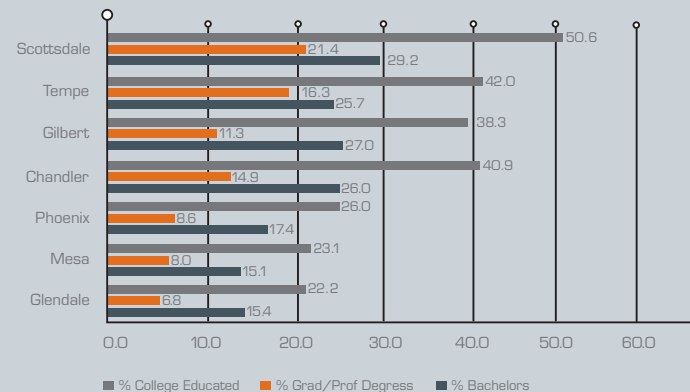


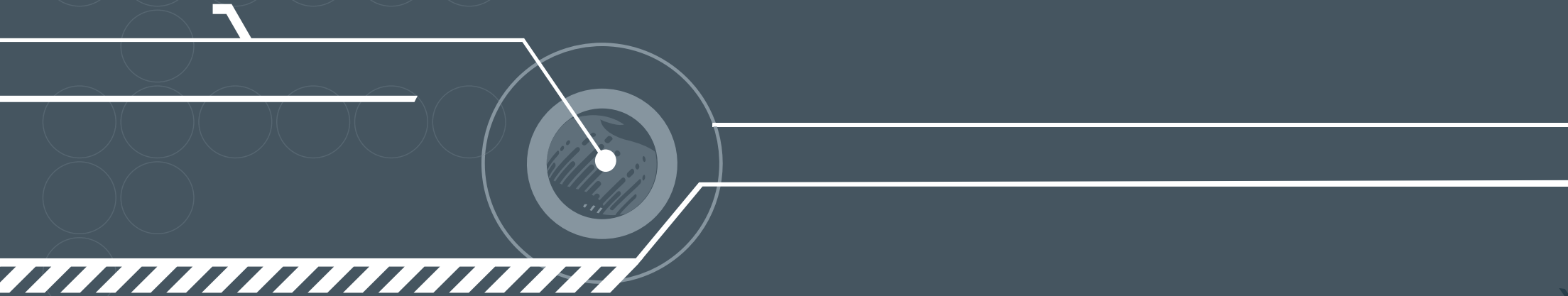
\*\*\*Average Age 31.8  
 \*\*\*Average persons per household 3.03  
 Source: \*US Census Bureau (1970-2010)  
 \*\*Town of Gilbert estimate  
 \*\*\*American Community Survey (2011)

### 2012 Educational Attainment

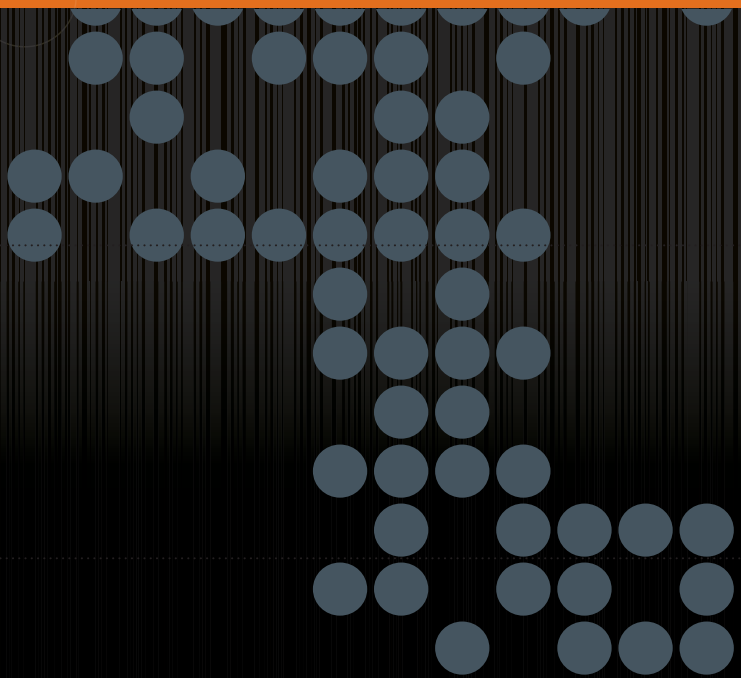
Bachelor's Degree or Higher

Source: American Community Survey (2011)





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