

# Greater Phoenix Greater Together

JUNE 2025



# About GPEC



## Our Mission

To attract and grow quality businesses, and advocate for Greater Phoenix's competitiveness.

## Our Values

- We exist to serve and enhance our community
- We are committed to excellence in execution
- Our ability to innovate, collaborate and adapt sets us apart





ABOUT GPEC

# GPEC by the Numbers

Over the last 35 years GPEC has fueled the regional economy, racking up some impressive stats along the way.

**1,000+**  
Regional Locates

**189K+**  
High-Quality Jobs

**\$69.4B**  
Capital Investment



# A Public-Private Partnership

GPEC works with 22 member communities, Maricopa and Pinal counties, and more than 200 private investors to advocate for regional competitiveness and serve as a strategic partner to companies across the world as they expand or relocate.

 **22**  
Member communities

 **200+**  
Private investors





# GPEC Services

## ► Operating Cost Comparison

- Perform annual operating cost comparisons across major markets.
- Analyze real estate, labor, utilities, taxes and incentives.

## ► Regional Labor Market Data

- Provide current wage rates, labor force and skill levels based on occupation and industry.
- Analyze labor force availability data and create custom drive time analysis.
- Connect with local employers for HR insight.

## ► Site Selection Assistance

- Aggregate a comprehensive listing of value-based assets, unique buildings and shovel-ready sites.
- Provide easy property search by size, location, price, zoning and more.

## ► Economic Impact Analysis

- Evaluate project's economic impact and community benefit.
- Prepare geospatial analysis.

## ► Connectivity To Key Resources

- Introduce your company to community college, university and key workforce assets.
- Coordinate with state and local regulatory authorities.
- Connect you to business leaders within the region.

## ► Public Relations Assistance

- Draft a press announcement and coordinate quotes from key stakeholders on behalf of the client.
- Press announcement distribution to media outlets.
- Support and coordination for ribbon cutting and grand opening events.





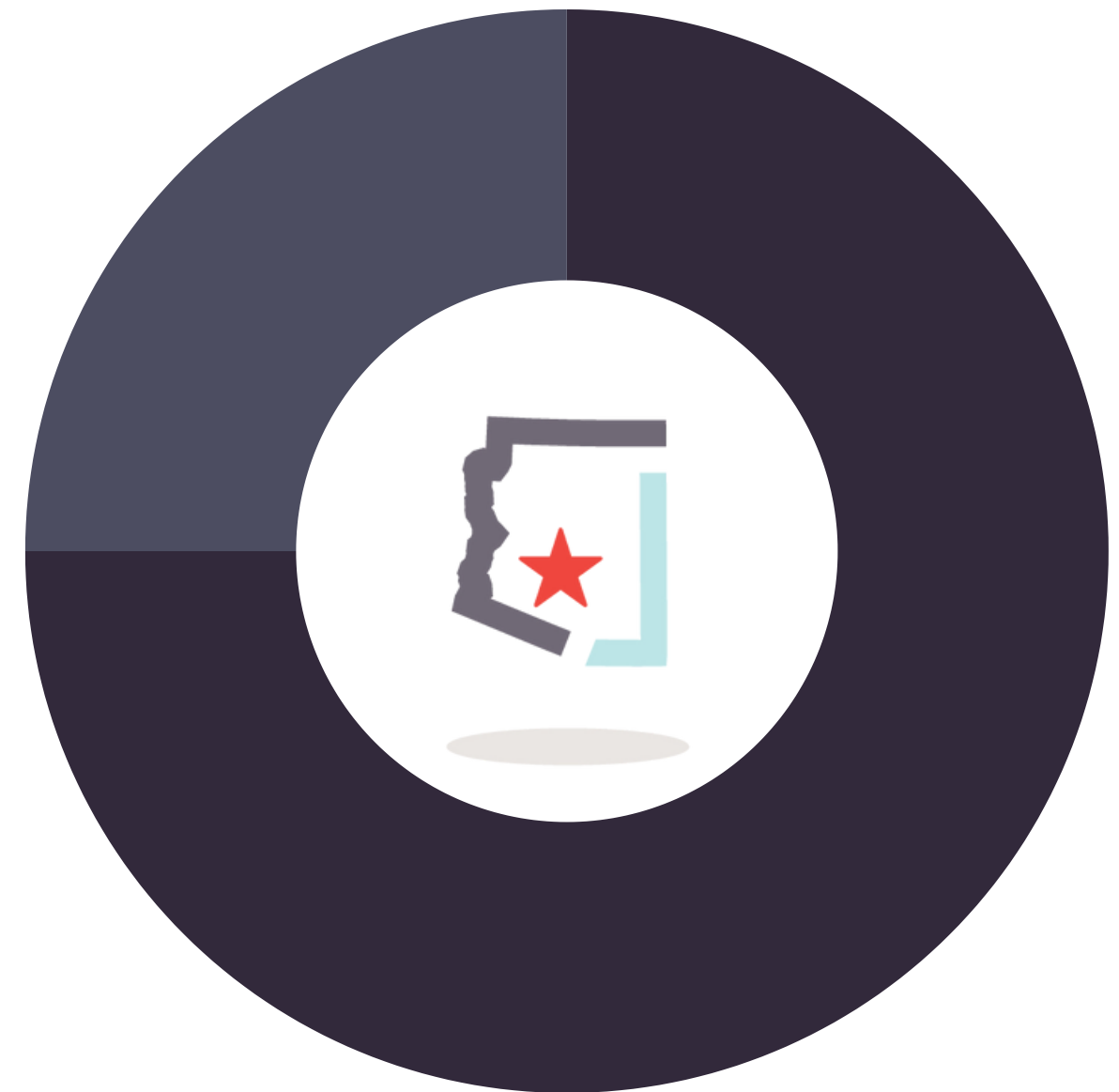
# Regional Overview



DID YOU KNOW?

---

Greater Phoenix  
represents  
75.3% of the  
State's economy





# Greater Phoenix's Strengths and Advantages

When you expand or relocate your business to Greater Phoenix, you join a community rich with opportunity, innovation and economic vibrancy.



**Favorable  
Business  
Environment**



**Strong Culture of  
Entrepreneurship**



**Stable Climate  
and Operating  
Environment**



**Available Water,  
Energy and  
Natural Resources**



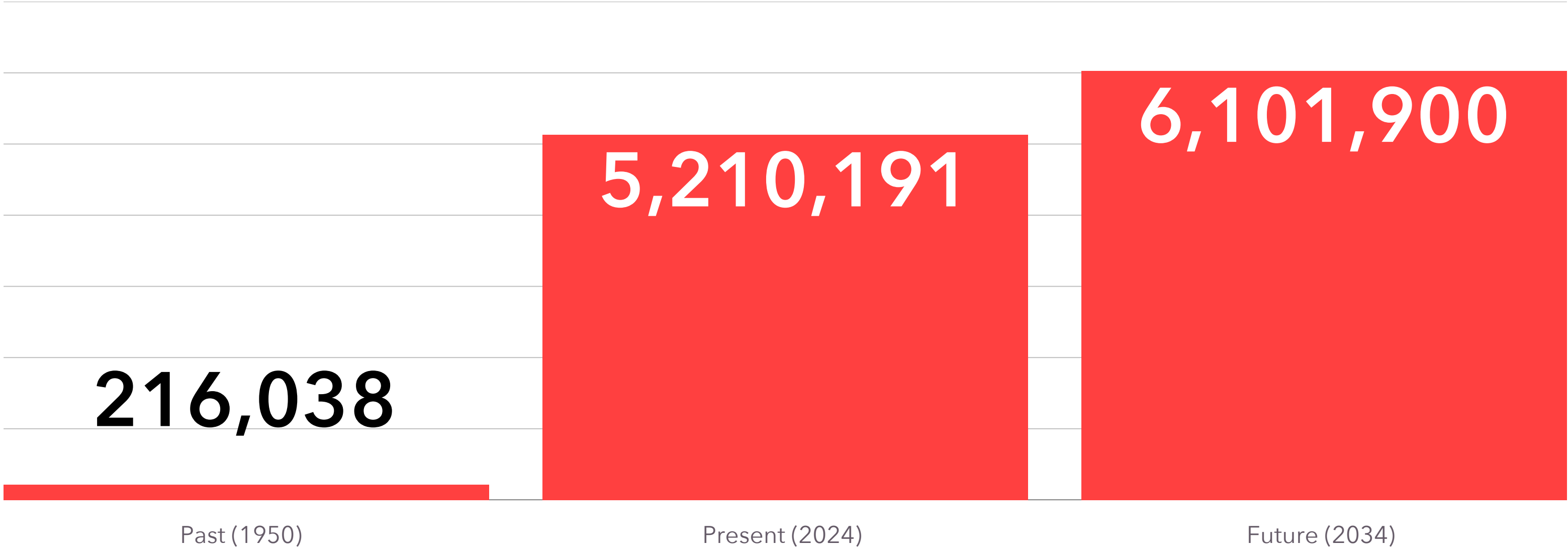
**Ideal Logistic  
Position**



**Talented, Diverse  
Workforce**



# Greater Phoenix Population Growth



Source: US Census Bureau, Arizona Office of Economic Opportunity



# Market Growth (2034)

## Greater Phoenix

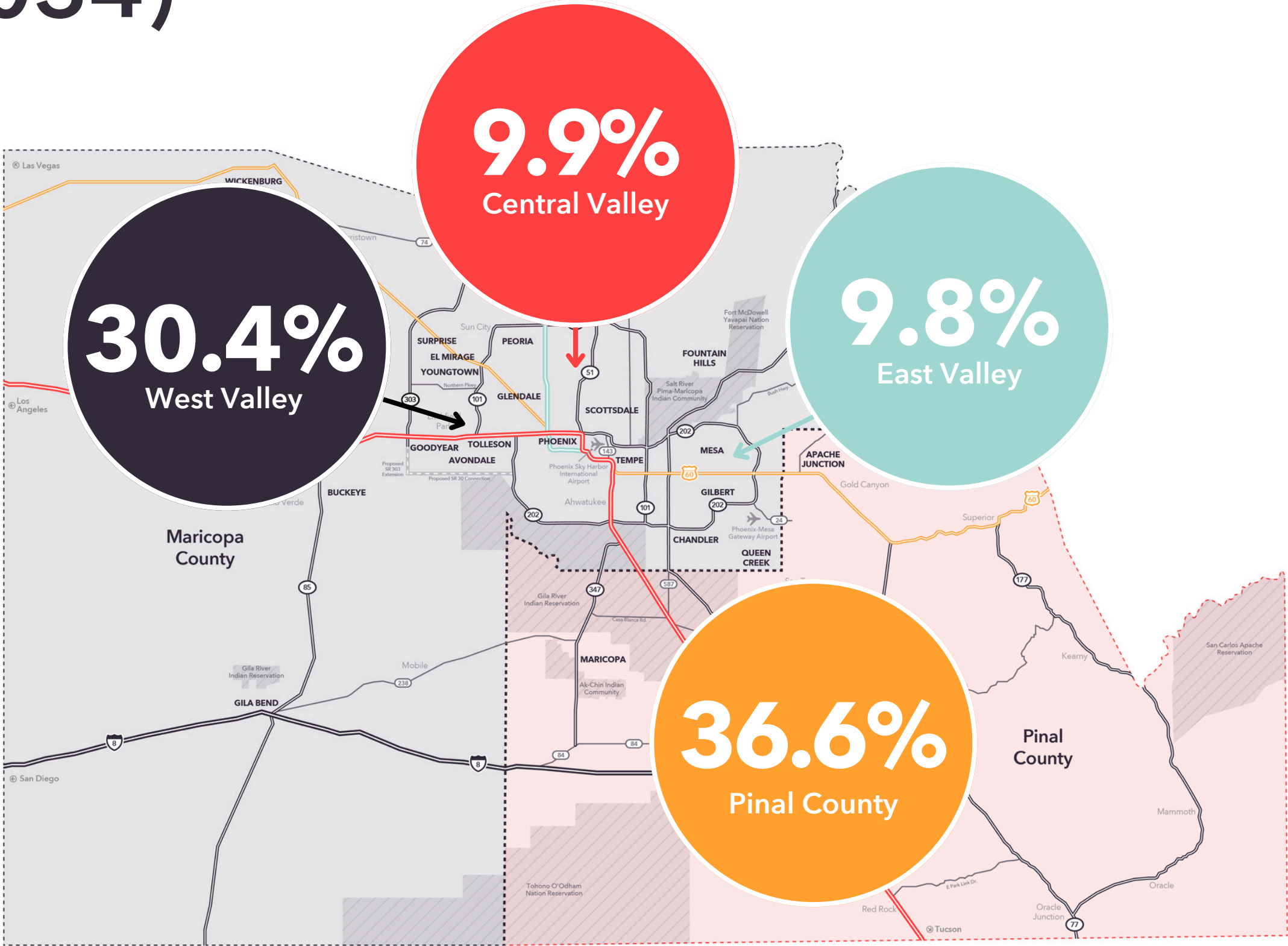
Projected Population Growth (2034)



17.1%



6.1M



Source: Arizona Office of Economic Opportunity



# Market Growth (2034)

↑ 30.4% - West Valley

	2024	2034
Glendale	260,878	283,100
Peoria	203,065	241,700
Surprise	165,916	256,300
Buckeye	113,349	186,900
Goodyear	116,694	177,500
Avondale	96,803	119,800
El Mirage	36,958	38,200
Tolleson	8,627	8,300
Litchfield Park	7,016	7,800
Youngtown	7,161	7,700
Wickenburg	6,785	7,400
Gila Bend	1,894	2,300

↑ 9.9% - Central Valley

	2024	2034
Phoenix	1,697,696	1,866,300
Paradise Valley	12,781	13,300

↑ 36.6% - Pinal County

	2024	2034
Pinal County Total	483,944	661,300

↑ 9.8% - East Valley

	2024	2034
Mesa	524,892	560,000
Gilbert	292,116	301,500
Chandler	286,342	299,500
Scottsdale	249,935	281,500
Tempe	193,336	230,200
Queen Creek	81,778	104,500
Apache Junction	41,243	58,500
Fountain Hills	24,163	25,400
Guadalupe	5,327	5,500
Cave Creek	5,259	5,600
Carefree	3,738	4,100

Source: Arizona Office of Economic Opportunity, MAG



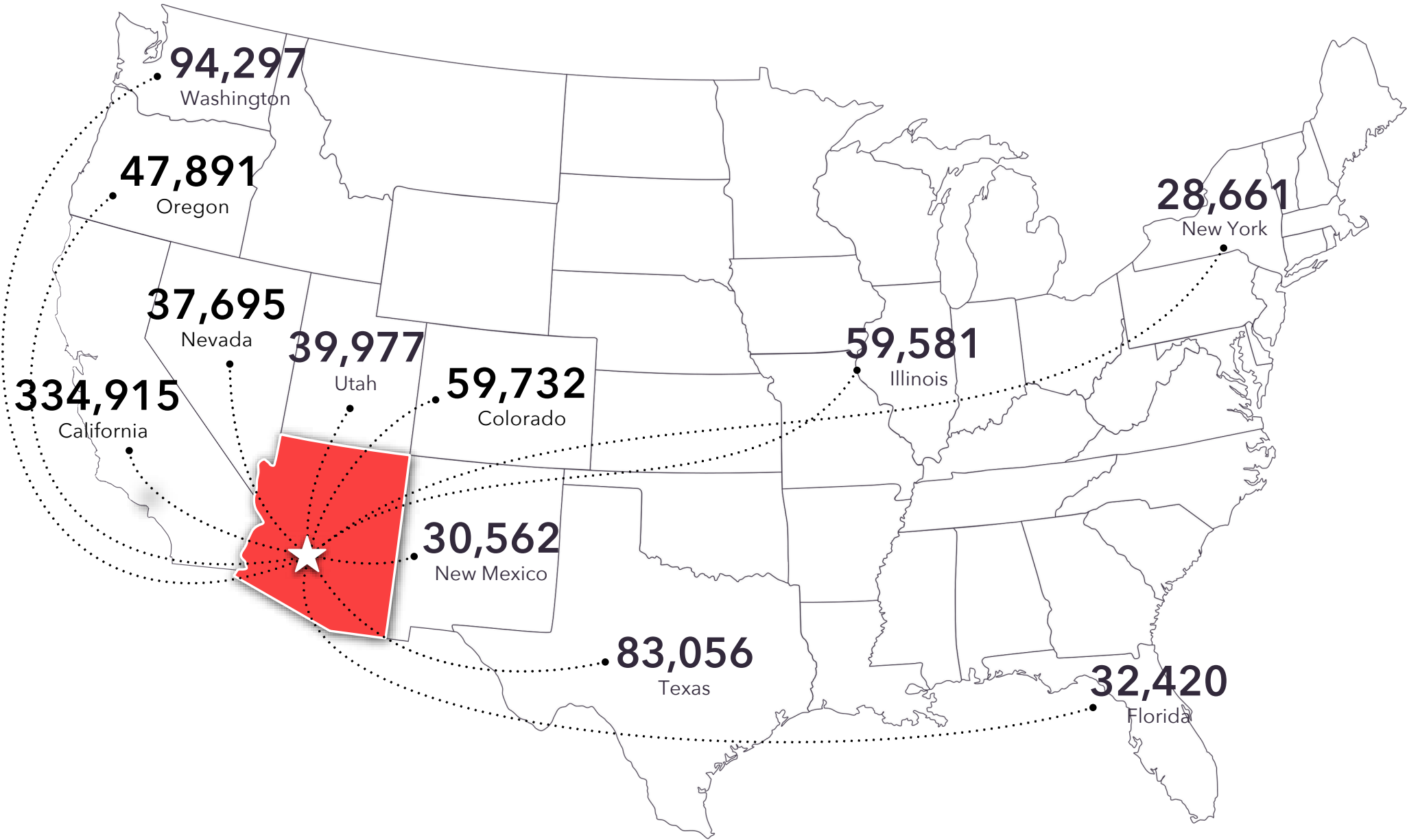
# Relocating to Arizona

The data below shows the total in-migration to Arizona by age in 2022.

Age Group	New Residents	% of Total
1 to 17 years	57,819	17.5%
18 to 24 years	55,406	16.8%
25 to 34 years	65,383	19.8%
35 to 44 years	34,630	10.5%
45 to 54 years	28,633	8.7%
55 to 64 years	34,076	10.3%
65 and over	53,581	16.3%

47% of in-migrants were ages 18-44.

The data below shows the total in-migration to Arizona by state from 2018-2022.





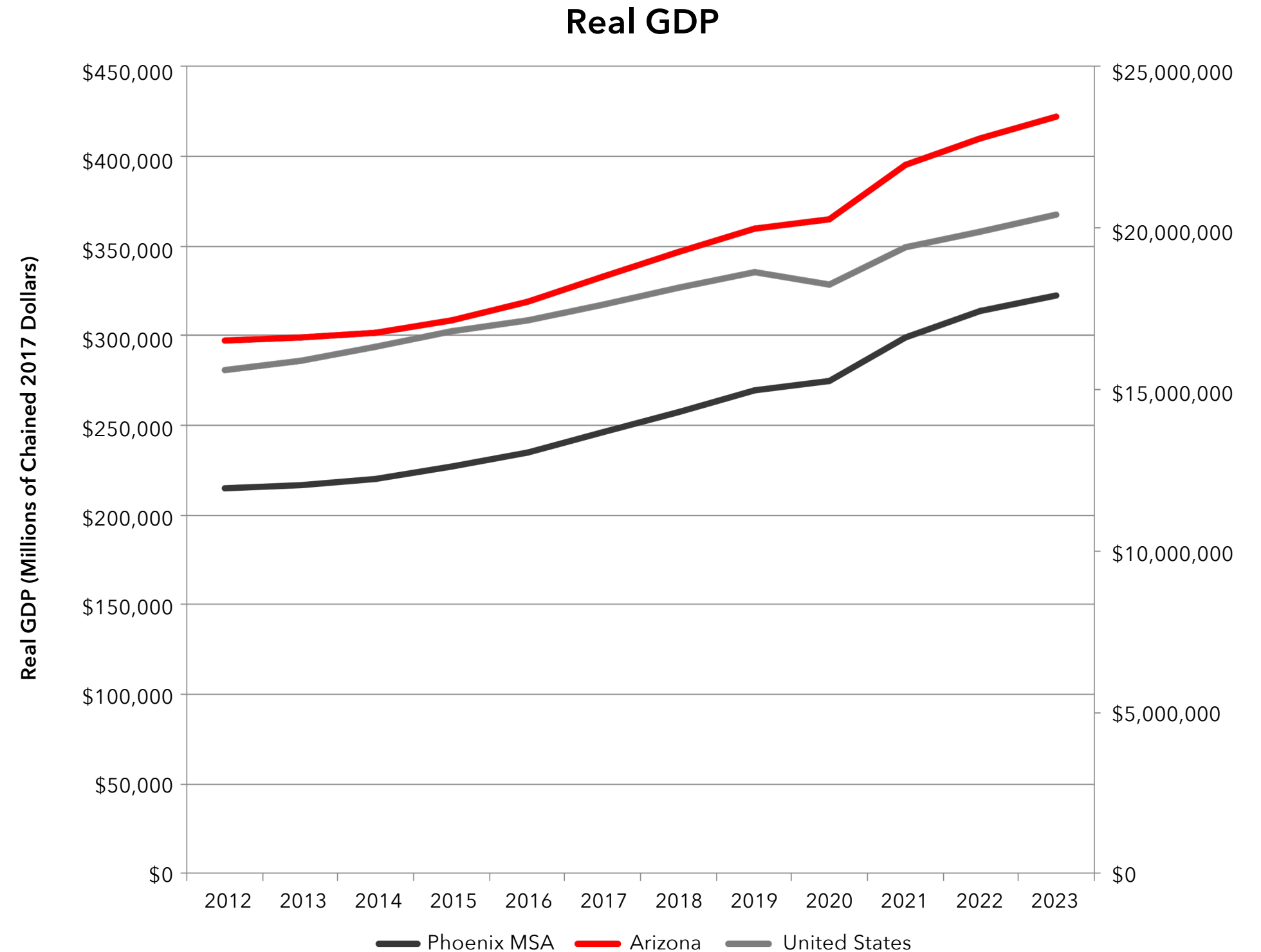


# Economic Activity



# National, State & Greater Phoenix Economy

- ⊕ Greater Phoenix real GDP in 2023 was \$322.79 billion, expanding by 2.9% over the previous year
- ⊕ Arizona real GDP grew 3.0% from 2022 to 2023
- ⊕ U.S. real GDP grew 2.7% from 2022 to 2023
- ⊕ Most recent estimates of GDP indicate a slowing economic outlook, with a -0.2% annual growth rate in Q1 2025 nationally, a contrast to the 2.4% increase in Q4 2024.





# Wage Growth



In Greater Phoenix and Arizona, overall real personal income grew slower than the national average from 2022 to 2023



The percentage growth in real per capita personal income from 2022 to 2023 in Greater Phoenix was modestly lower than the national average

Source: Bureau of Economic Analysis January 2025

## Real Personal Income (millions of constant 2017 dollars)

	2022	2023	% Growth
Greater Phoenix	261,076	265,177	1.6%
Arizona	374,593	381,769	1.9%
United States	19,013,960	19,404,132	2.1%

## Real Per Capita Personal Income (constant 2017 dollars)

	2022	2023	% Growth
Greater Phoenix	51,998	52,302	0.6%
Arizona	50,856	51,373	1.0%
United States	57,052	57,937	1.6%



# Greater Phoenix Employment

- ⊕ Greater Phoenix's pre-COVID peak was in December 2019 at 2,255,700 jobs
- ⊕ Jobs have increased by 18,200 compared to March, and rose by 15,100 year over year
- ⊕ Current total nonfarm payroll employment is 2,478,300 jobs; unemployment rate is 3.1%

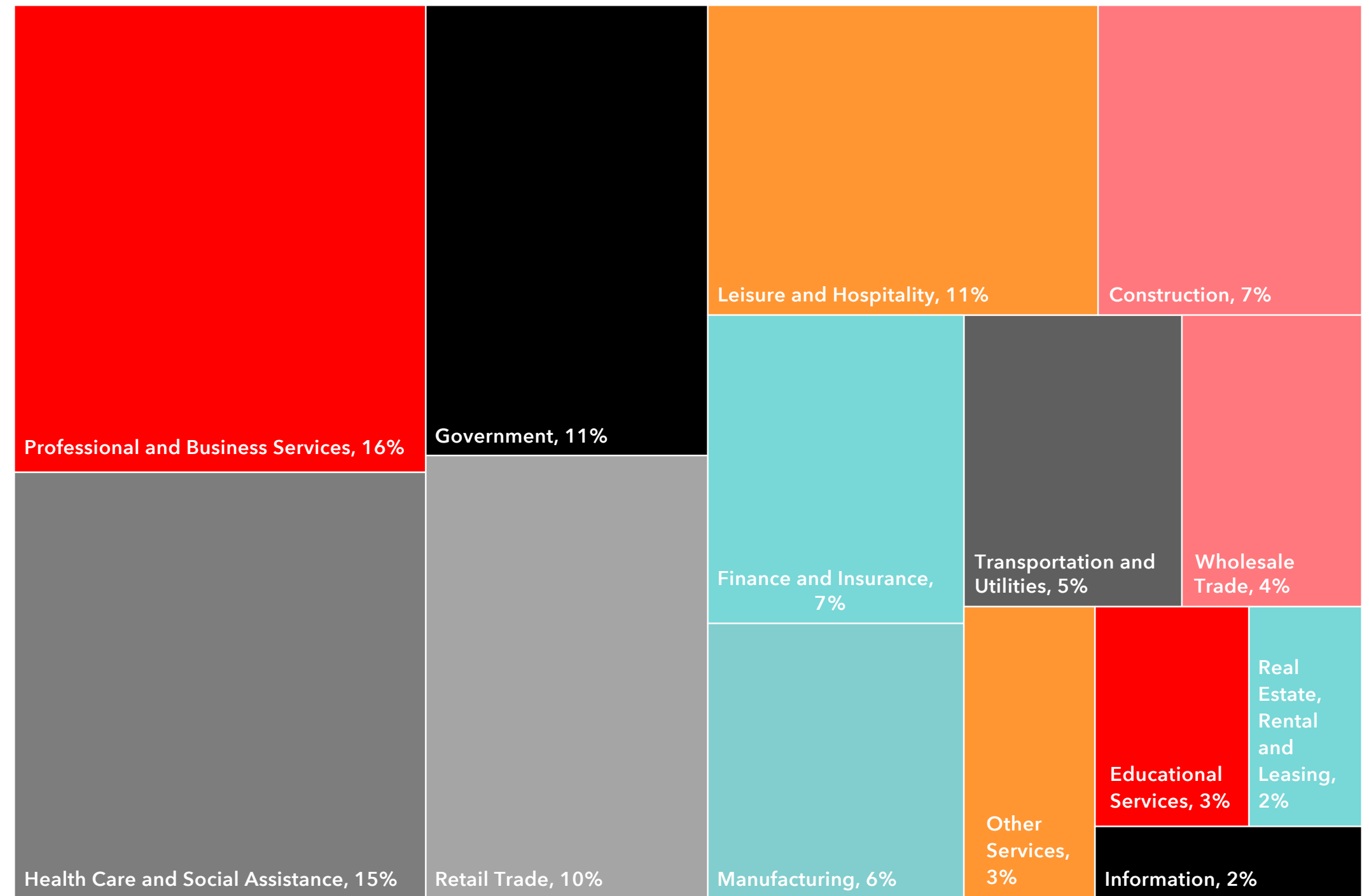
Greater Phoenix Job Growth



# Current Makeup of Industry

- ⊕ The largest industries in Greater Phoenix are professional and business services and healthcare and social assistance
- ⊕ There has been significant growth in the healthcare and social assistance sector following the 2008 recession. Conversely, construction is experiencing very slow but gradual growth while there is a decline in retail trade as a share of total employment

Current Employment Diversity







# Job Forecast

Projected Non Farm Employment Growth



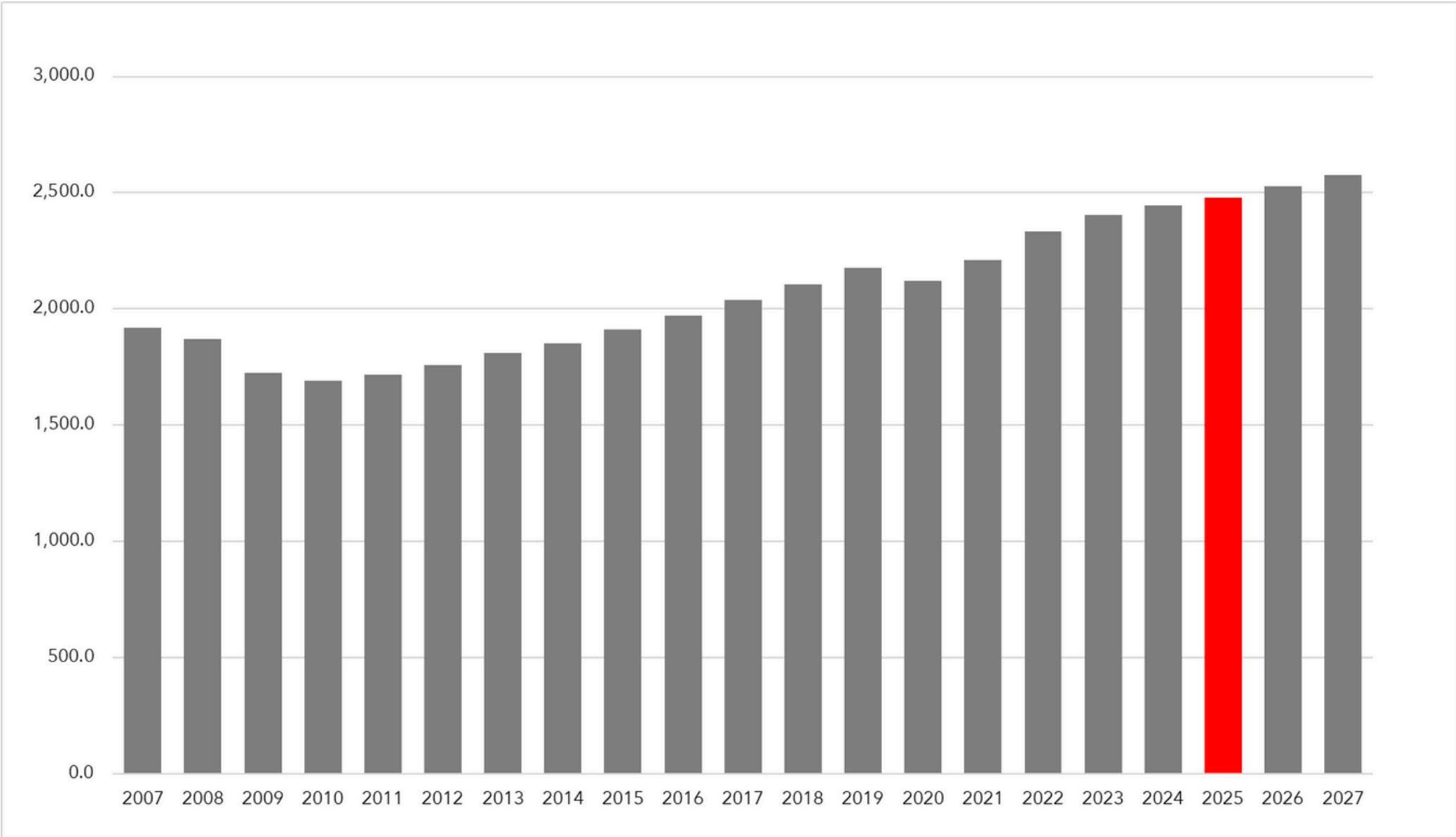
Greater Phoenix job growth is projected to be 2.01% from 2025 to 2026



Arizona job growth is projected to be 1.82% from 2025 to 2026



Greater Phoenix recovered all job loss caused by COVID-19 in 2021



Source: University of Arizona Economic and Business Research Center, June 2025



# Inflation and Prices (National)

- ⊕ Inflation reflects the annual percentage change in the cost to an average consumer of acquiring a standard market basket of goods and services. The inflation rate presented below is the year-over-year percentage change which is a measure of the average monthly change in the overall price for goods and services paid by urban consumers
- ⊕ The most recent inflation rate was 2.3%, 0.1 percentage points lower than the month of March

**Inflation Rates - U.S.**





# Composite Business Confidence (Manufacturing)

- ⊕ The Composite Business Confidence is an indicator for business tendencies, based on surveys measuring developments in production, orders and stocks of finished goods in the manufacturing sector. The indicator is exhibited as the percentage of net balances.
- ⊕ The net balances were at -2.6 in April, indicating slight pessimism towards economic activity in the future

Composite Business Confidence



*The Composite Business Confidence (CBC) for the manufacturing sector has replaced the Business Confidence Index (BCI) which used to measure the overall perception of businesses on the economy. The percentage of net balances quantifies the overall sentiment or trend among respondents; A negative net balance indicates that more respondents are experiencing or expecting declines rather than improvements in the economy while a net balance of zero means that the percentage of positive and negative responses are equal, indicating a neutral outlook. Source: OECD, April 2025*





# Households



# Cost of Living Comparison for Select Markets

The overall cost of living in Greater Phoenix is 7.2% above the national average.

Region	100% Composite Index	14.67% Grocery Items	29.97% Housing	8.75% Utilities	10.75% Transportation	4.59% Healthcare	33.27% Misc. Goods and Services
Houston TX	94.7	98.3	81.2	91.0	94.6	103.0	104.3
Albuquerque NM	95.0	97.8	88.7	83.8	87.7	107.0	102.7
Austin TX	96.6	95.8	102.5	98.9	98.0	97.6	90.9
Dallas TX	100.8	98.7	90.8	120.8	90.0	107.9	107.3
Phoenix AZ	107.2	103.3	116.6	109.3	100.2	89.6	105.2
Denver CO	108.8	100.9	122.1	88.9	101.0	110.4	108.6
Salt Lake City UT	109.5	98.6	129.7	101.7	113.4	89.8	100.9
Portland OR	115.3	103.9	145.1	89.2	121.3	110.4	100.8
Arlington VA	133.8	110.5	206.1	92.6	107.0	116.3	105.3
Seattle WA	144.0	107.5	212.0	101.4	126.7	127.7	121.9
San Diego CA	146.5	111.7	213.2	149.5	136.2	104.0	114.2
Boston MA	146.9	104.5	226.0	146.1	109.5	130.1	113.6
Los Angeles CA	148.7	109.3	233.1	104.7	126.8	99.3	120.6
San Francisco CA	162.7	122.2	252.0	158.8	133.8	130.4	120.3
New York (Manhattan) NY	229.9	117.0	499.7	112.5	124.6	150.2	128.8

Source: C2ER Cost of Living Index 2024 Q3





# Consumer Sentiment (National)

Consumer sentiment remains at or near its lowest level in the past decade.  
The Index decreased from 57 in March to 52.2 in April

Consumer Sentiment





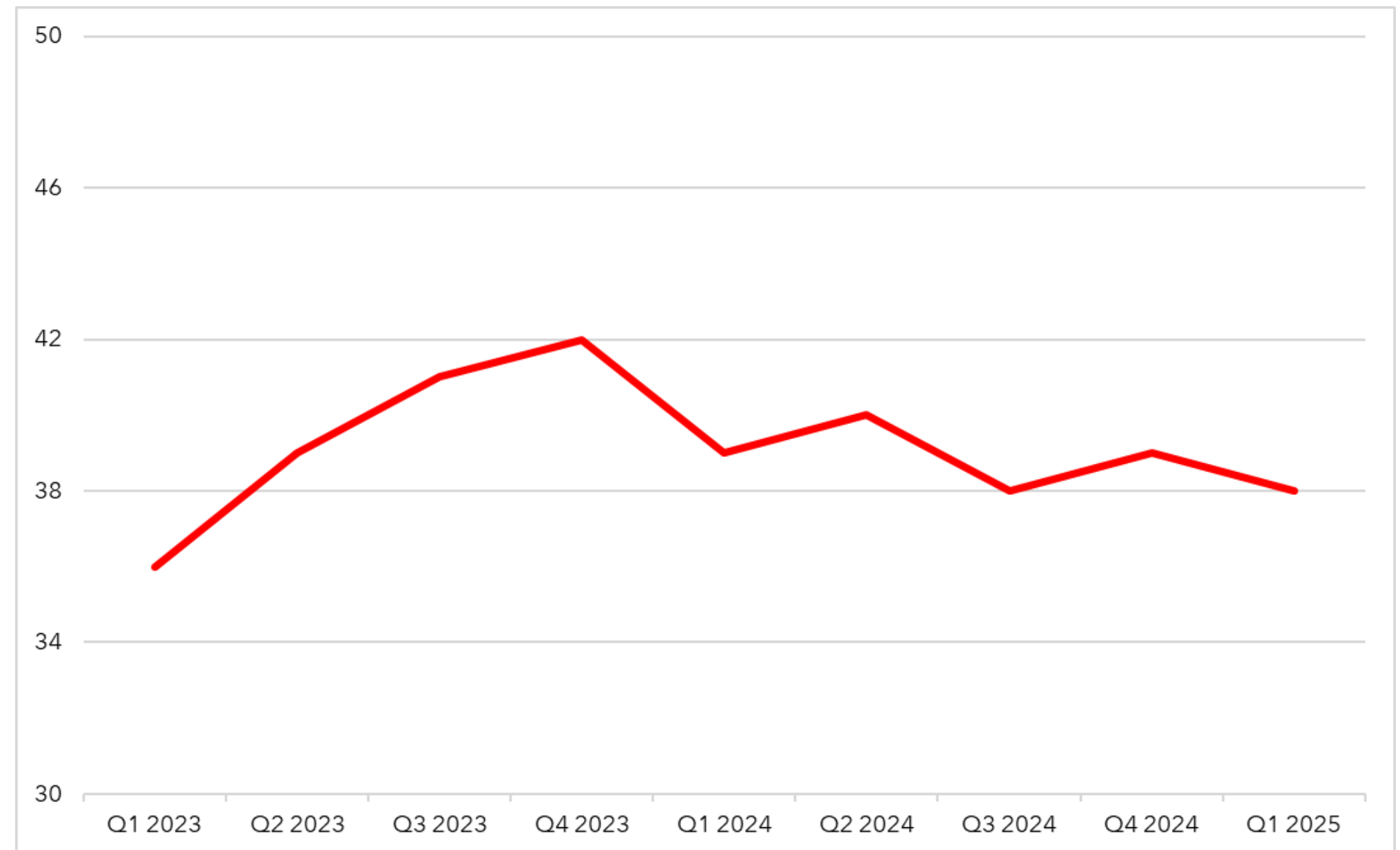
# Housing Sector



# Housing Costs

- ⊕ This index shows the portion of a typical family's income needed to make a mortgage payment on a median-priced home
- ⊕ The Q1 2025 reading for the Phoenix MSA indicates that 38% of a typical median family's income of \$109,600, was needed, to make a mortgage payment on a median-priced new single-family home of \$487,900
- ⊕ Nationally, 36% of a typical family's median income of \$104,200 was needed to make a mortgage payment on a median-priced new single-family home of \$416,900

Cost of Housing Index







# Business Development Update





# FY25 Quick Overview

## Prospect Stats



**41**  
Companies Located in FY25



**\$3.37B**  
in Capital Investment



**4,990**  
Jobs Created in the Region



**\$95,373**  
Avg. High-Wage Salary

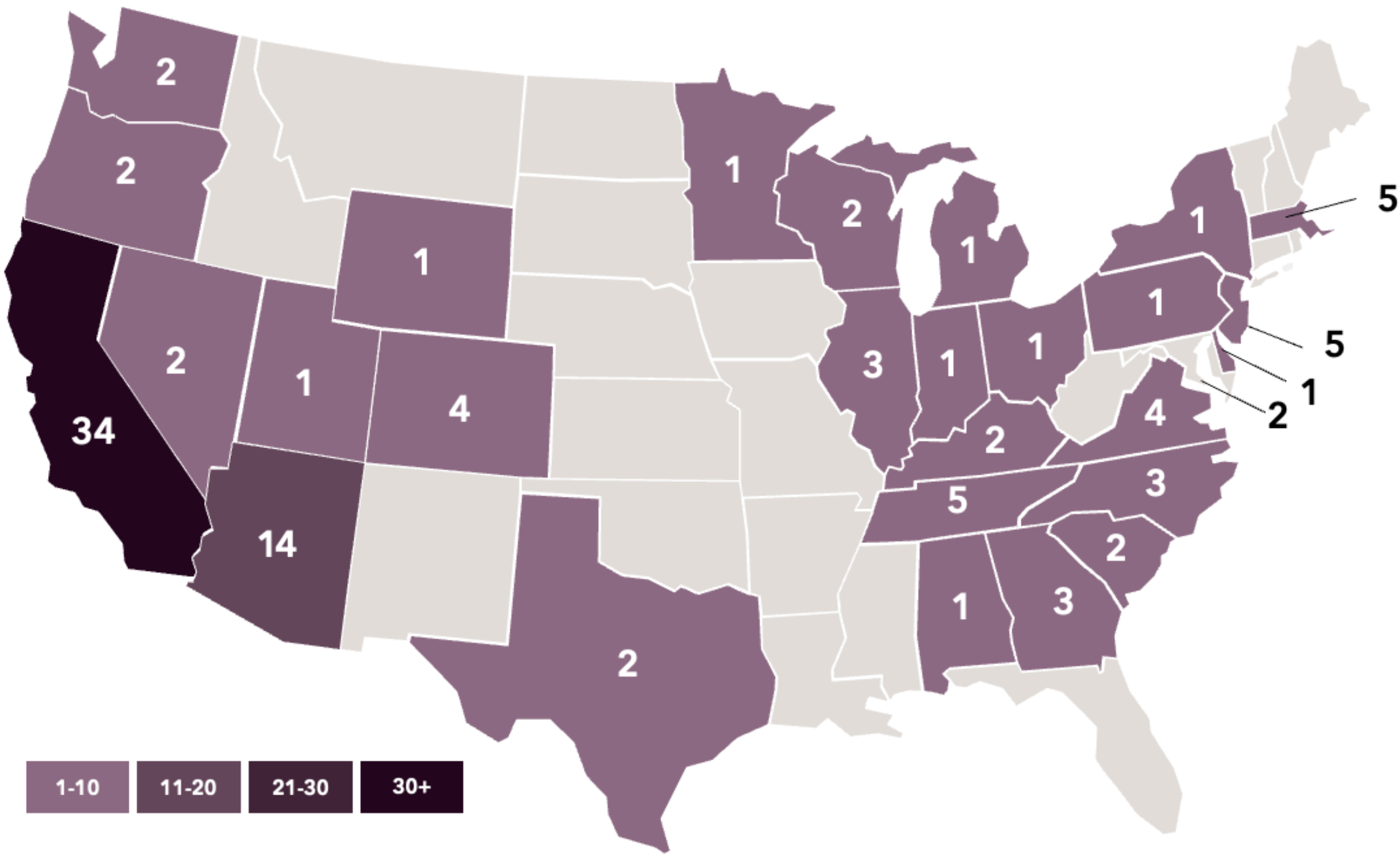
Numbers as of May 31.



# FY25 Prospects by HQ Location

- 14% of prospects are from California
- 28% of prospects are international including from:
  - Taiwan
  - Japan
  - Germany
  - Netherlands
  - South Korea
  - Ireland
  - United Kingdom
  - Canada

International	66
Unknown	64
<b>Grand Total</b>	<b>236</b>



Numbers as of May 31.

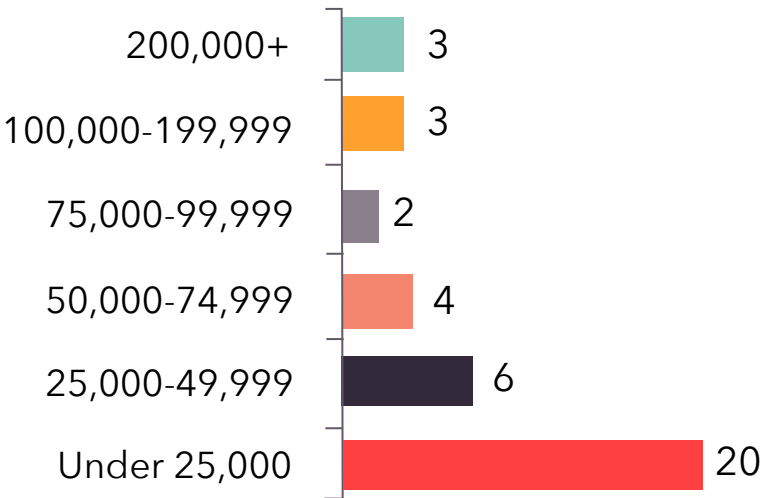


# FY25 Prospects by Type and Operation

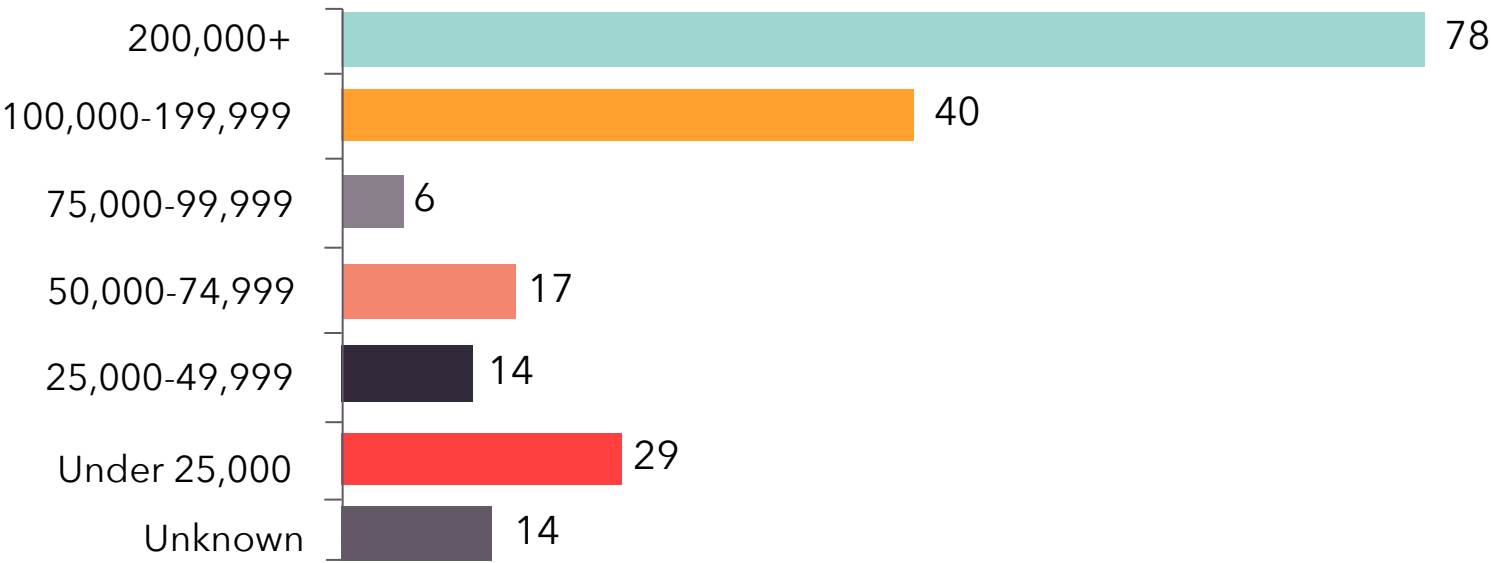
## Operation Type Highlights

- 96 Light Manufacturing
- 43 Advanced/High Tech Manufacturing
- 33 Warehouse/Distribution
- 20 Advanced Administrative/Back Office
- 12 Data Centers
- 15 Heavy Manufacturing
- 11 Headquarters Office
- 3 R&D

## Office Prospects (38)



## Industrial Prospects (198)

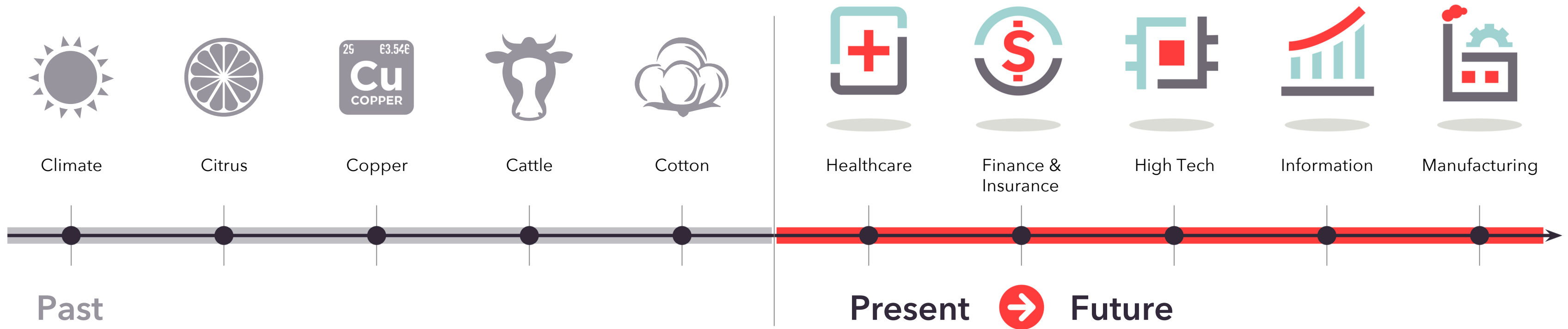




# Driving Advanced Economy



# Past. Present. Future.





# Semiconductor Ecosystem



# Semiconductor

**33,437**

Total Jobs  
(2024)

**36,041**

Job Projection  
(2029)

**3.4%**

Annualized Growth  
(2019-24)



EMD  
Electronics

intel®



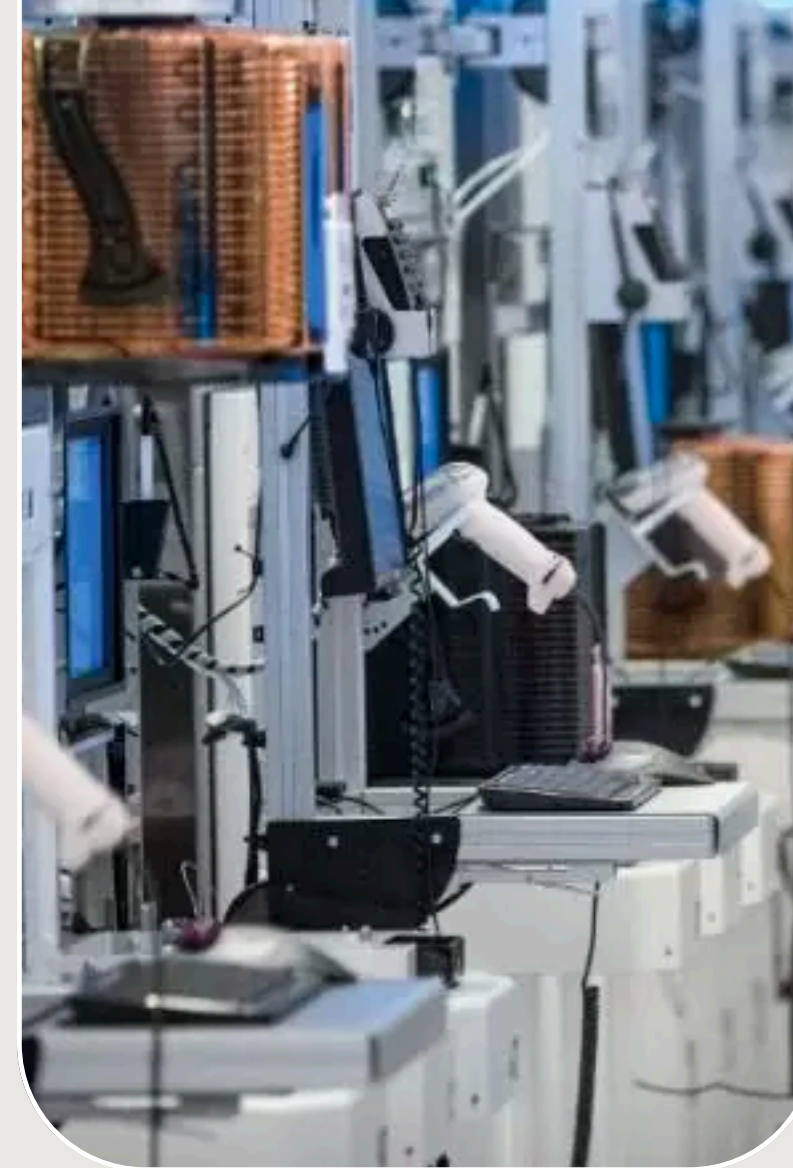
onsemi



## The nation's fastest-growing semiconductor hub



Greater Phoenix has emerged as the heart of advanced manufacturing innovation with more than 40 semi-related companies choosing the region since TSMC first announced its project in April 2021, creating 7,900+ jobs and \$37.1B cap ex.



## Workforce to Meet Demand

Phoenix is a federally designated Workforce Hub driving investments to create pathways to good jobs: TSMC is investing \$5M in a new technician program while the ACA is investing \$80M+ from the American Rescue Plan to expand university partnerships focused on infrastructure & workforce

## International Attention

While Greater Phoenix is gaining attention for semiconductor growth on the international stage, GPEC recently hosted delegations from Japan and the Netherlands, showcasing the industry's progress and opportunity to heads of state, key industry leaders and media attendees



# Historic Semiconductor Investment

More than \$235B of industry investment in Greater Phoenix



**intel**  
\$66 Billion

- \$8.5B in direct CHIPS funding will support 2 new fabs in Chandler and modernizing 1 existing fab
- 3,000 new high-tech, high-wage jobs; 3,000 construction jobs



**tsmc**  
\$165 Billion

- \$6.6B in direct CHIPS funding for its site in Phoenix
- Total investment supports six fabs, two advanced packaging facilities and a major R&D team center and creates 40,000 construction jobs over the next four years and tens of thousands of high-tech jobs



**Amkor**  
Technology  
\$2 Billion

- The country's largest outsourced semiconductor packaging and test facility in Peoria will create more than 2,000 new jobs



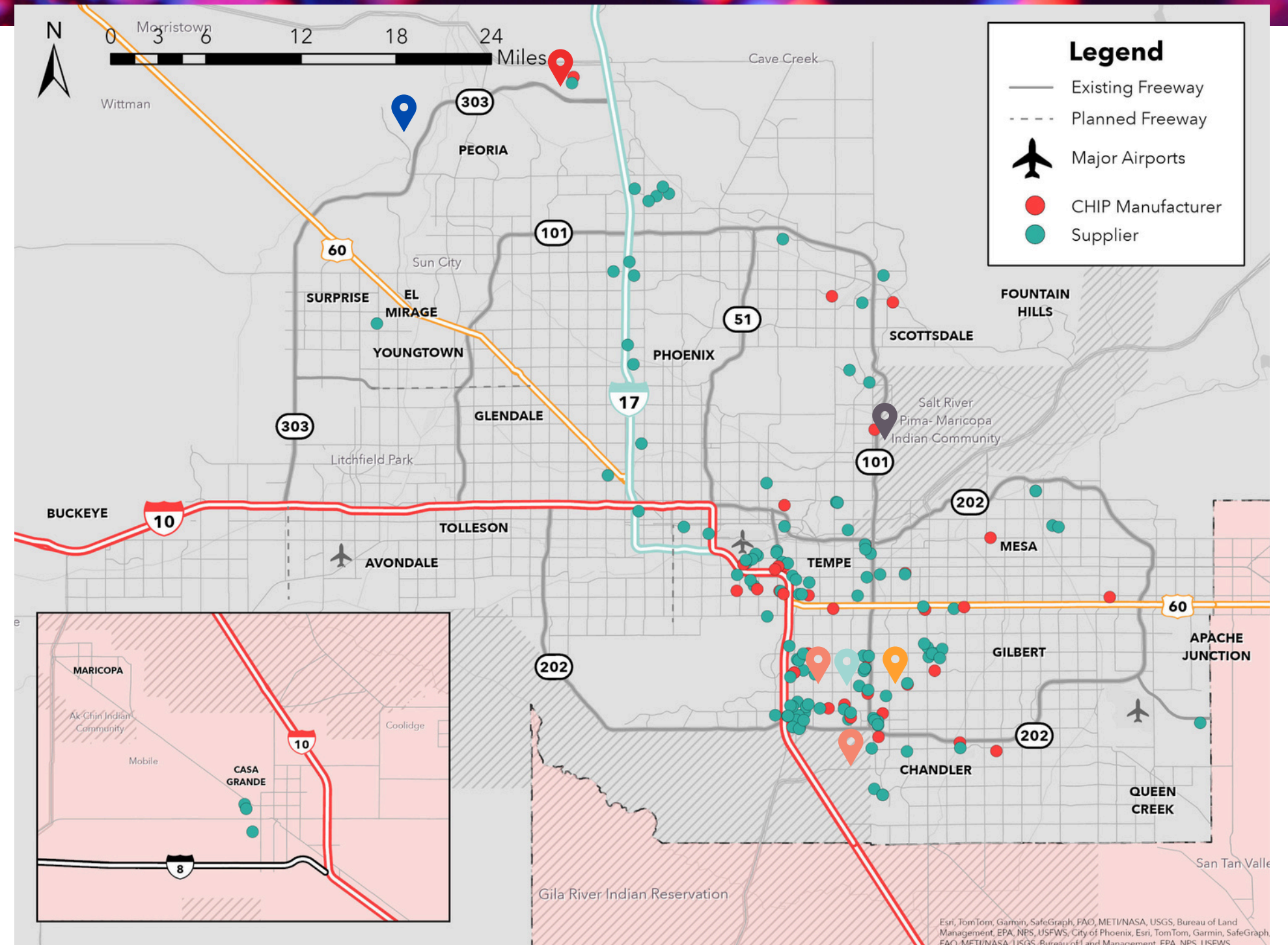
**\$2.5 Billion+**

- Other industry supply chain investment including materials, transportation, machinery and advanced cleaning equipment



# Semiconductor Ecosystem

With more than 30 semiconductor-related companies located in the region alongside industry suppliers, Greater Phoenix has emerged as the heart of advanced manufacturing innovation.





# Autonomous & Electric Vehicle Ecosystem



# EV/AV & Battery

**31,077**

Total Jobs  
(2024)

**34,341**

Job Projection  
(2029)

**4.6%**

Annualized Growth  
(2019-24)



LUCID



## Growing Talent Pipeline

4,300 Graduates from  
EV and AV related  
degrees in 2023



## IRA Support

Battery cell and module  
capacity production credits,  
EV buyer tax credits

Source: Lightcast 2025 Q2 Dataset



Source: Waymo

## Waymo Proving Ground

In 2017, Waymo launched the first public trial of autonomous ride-hailing in Phoenix. Waymo One currently operates 24/7 across 225 square miles of Greater Phoenix, making it the largest "fully autonomous, paid ride-hailing service area in the world."



Central Arizona College's 13,000 square-foot advanced manufacturing training center that has trained more than 2,000 Lucid employees. Guided by the pioneering spirit of the 48th state, Drive48 steers next-gen talent to advance their skills and power the manufacturing industry.



# Electric Vehicle Advancement

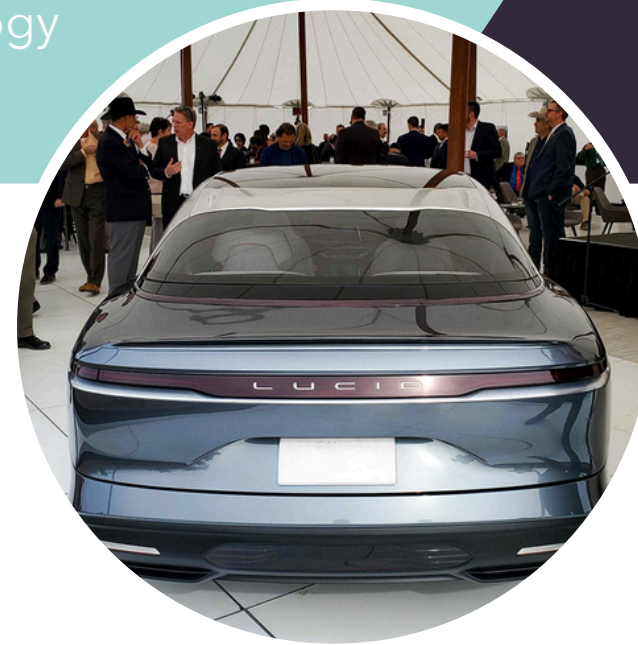


2018

Institute of Automated Mobility launched in partnership with Intel, ASU, NAU, UArizona and other public and private government organizations

2021

Arizona codified an executive order allowing for testing and piloting of driverless vehicles, along with other means to keep pace with emerging technology



2022

Arizona was among the first states to receive federal approval for its Electric Vehicle Infrastructure Deployment Plan. Arizona DOT received \$11.3 million in federal funding for its \$76.5 million project to develop a statewide network of charging stations.





# EV and Battery Companies Include:



4,300

Graduates from degrees related to autonomous & electric vehicles (2021)

50,000

Electric vehicles inside the service territory of APS and SRP

50

Miles or less between charging stations on interstates that will be constructed with help from NEVI federal funding



A 13,000 square-foot advanced manufacturing training center that has trained more than 2,000 Lucid employees





# Aerospace and Defense Ecosystem



# Aerospace & Defense

69,781

Total Jobs  
(2024)

75,599

Job Projection  
(2029)

4%

Regional GDP  
(2018-23)



BLUE ORIGIN



BOEING



GALACTIC

GENERAL DYNAMICS

Gulfstream

Honeywell

LOCKHEED MARTIN



NORTHROP GRUMMAN

## Military Reuse Zone (MRZ)



- Two MRZs in Arizona: Phoenix-Mesa Gateway Airport and Phoenix/Goodyear Airport
- Applicants for the MRZ program qualify for both the Transaction Privilege Tax Exemption and Property Reclassification benefits

Source: Lightcast 2025 Q2 Dataset



Photo credit: Wisk Aero



## Emerging Advanced Air Mobility

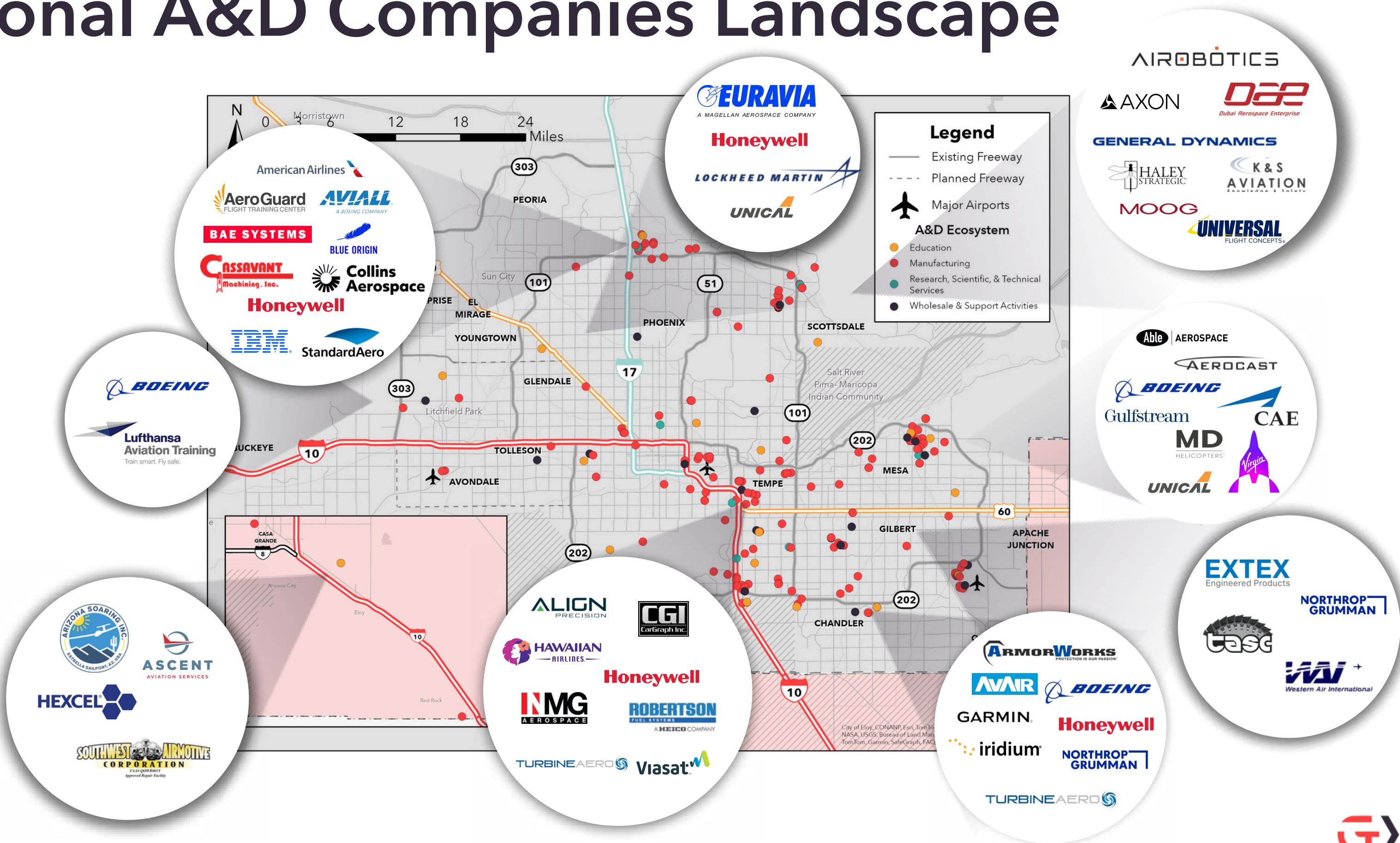
The region is growing in advanced aerospace tech such as air taxis, eVTOL and drones which will be furthered by Honeywell’s Advanced Air Mobility Lab and Aerospace HQ in Phoenix.

## DoD-Aligned Strategy

GPEC is working to capture 14 critical technology areas vital to maintaining US national security as defined by the DoD, including future generation wireless technology (FutureG), space technology, AI & autonomy, microelectronics and biotechnology.



# Regional A&D Companies Landscape





# Emerging Technology Sectors

GPEC is focused on cultivating development in six of the 14 DoD-aligned critical technology areas based on regional assets.

## Space Technology

Space technology development is focused on space flight, space communication and other technologies needed to maintain orbital operations. Greater Phoenix's collaborative environment fueled by public-private partnerships supports growth within these segments.

## FutureG

FutureG, or future generation wireless technology, encompasses a suite of cutting-edge wireless network technologies, such as the development of 5G. Greater Phoenix is often a test market for FutureG mobile connectivity technology and many large telecommunication providers such as Verizon and AT&T tested 5G in the market.

## Trusted AI & Autonomy

Regionally, trusted AI and autonomy is seeing rapid growth in advanced air mobility (AAM), including Honeywell's AAM Lab and Aerospace HQ in Phoenix. The sector encompasses various disciplines, with GPEC further focusing on:

- **Microelectronics**
- **Human-Machine Interfaces**
- **Biotechnology**



View The Future of  
Aerospace & Defense Report



# Climate Tech Ecosystem



# Climate Tech

## Pipeline Overview

16,860

Total Jobs  
(2024)

18,425

Job Projection  
(2029)

1.8%

Annualized Growth  
(2024-29)



No. 1

in sustainability

No. 1

in global impact  
in research

5,000

student enrollment  
goal (2025)

Source: Lightcast 2023 Q3 Dataset



### SOURCE Water

The first renewable drinking water system that uses specially-engineered hydropanels which utilize solar energy to extract clean, pollutant-free drinking water from the air



Source: CarbonCapture Inc.

### Southwest Sustainability Innovation Engine

The newly announced NSF-funded, ASU-led initiative to establish the Southwest as a leader in carbon capture, water security and renewable energy, and bring high-wage industry jobs to the region



# Innovation in Climate Tech



## SOURCE Water

**The world's first renewable drinking water system**

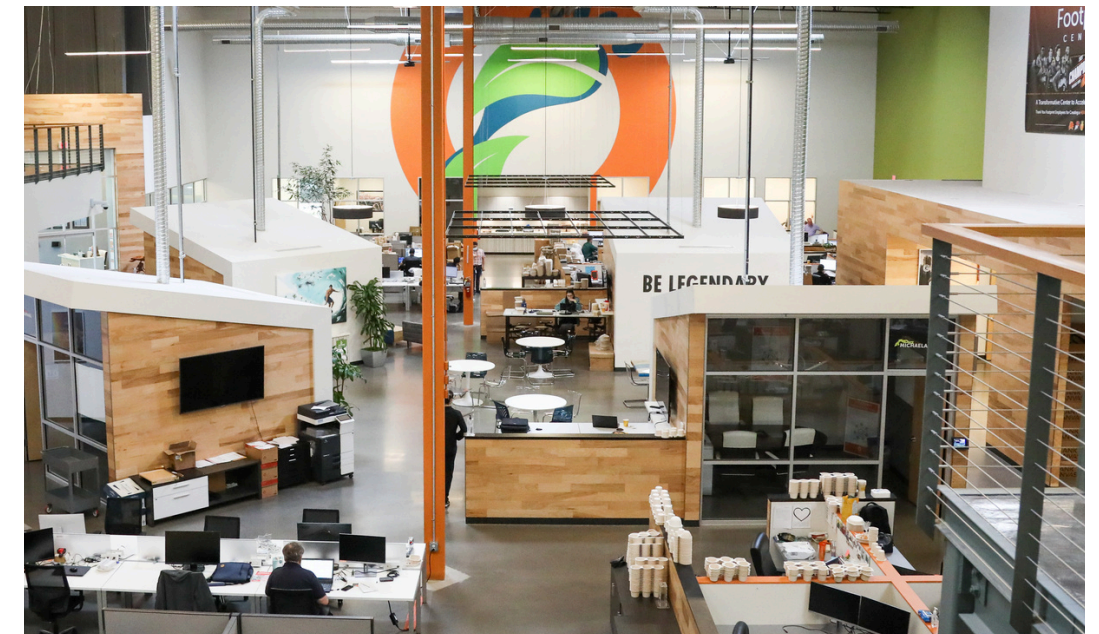
With the use of its hydropanels, SOURCE uses solar energy to extract clean, pollutant-free drinking water from the air.



## OnePointOne

**Vertical farming production**

OnePointOne's indoor vertical farm in Avondale covers 99% less land than a traditional farm and minimizes water usage.



## Footprint

**Eliminating short-term and single-use plastics**

Footprint develops, designs and manufactures plant-based fiber plastic alternatives that are compostable, biodegradable, and recyclable.



# Innovation in Clean Energy



## Air2O

### Sustainable two-stage evaporative cooler systems

The hybrid cooling system of Air2O provides efficient cooling for large-scale facilities.



## Persefoni

### Carbon monitoring

Persefoni's software helps companies meet regulatory climate disclosure requirements and requests.



## CarbonCapture

### Carbon removal for a net-zero future

The high-volume manufacturing facility in Mesa, AZ, will produce enough modules for two megatons of carbon removal capacity each year. CarbonCapture's technology would fit seamlessly into the regional clean tech ecosystem and serve as a needed innovative partner.



# Startup Ecosystem



# Startup & Tech Ecosystem

Greater Phoenix is home to:

**13,000+**

Tech companies

**770+**

Software companies

**280+**

Startup companies

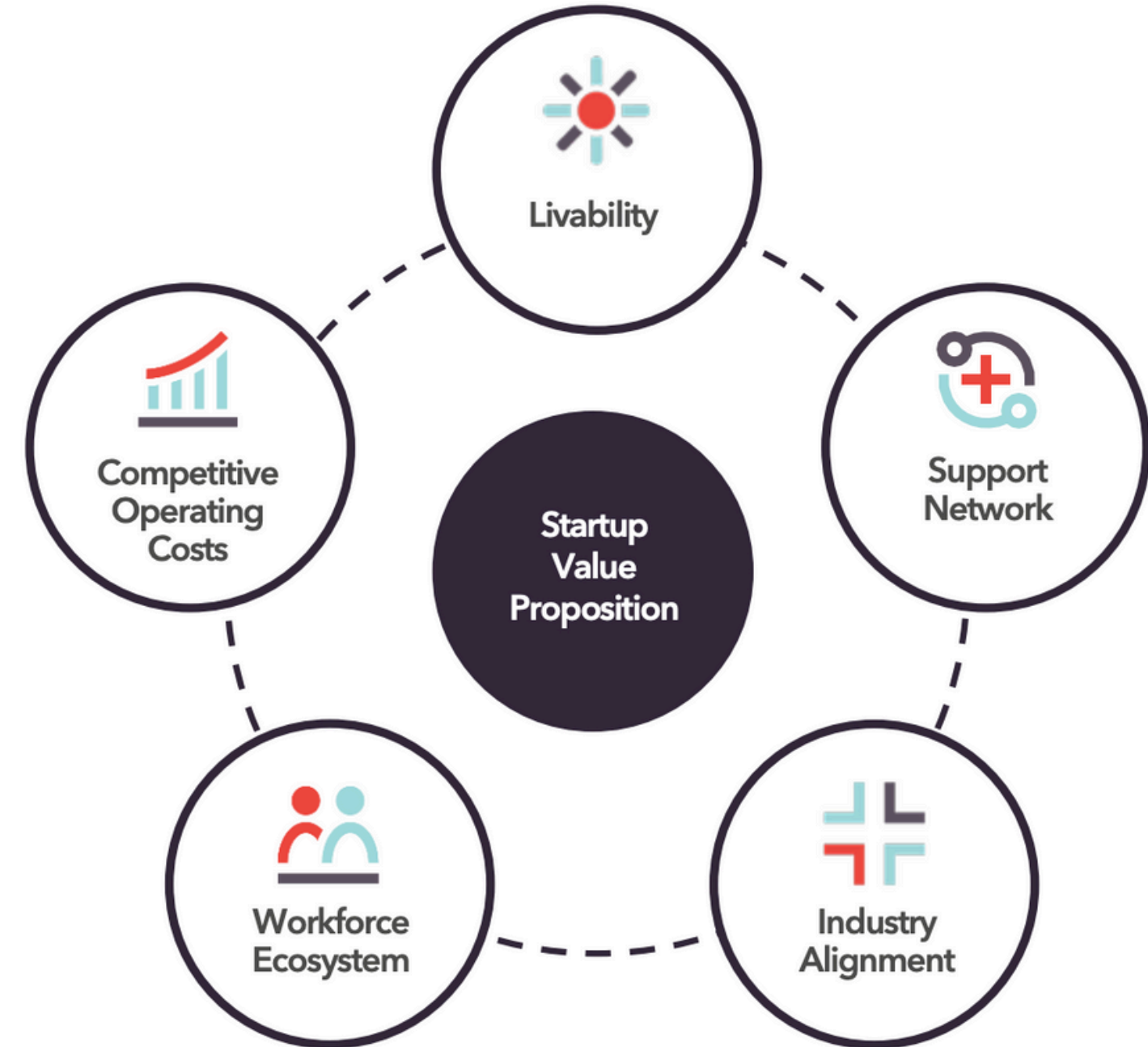
## Regional Advantages:

Access to strong talent pipeline and alignment with universities

Local innovation support network

Clustering of startups and early-stage companies

Lower operating costs compared to competitors





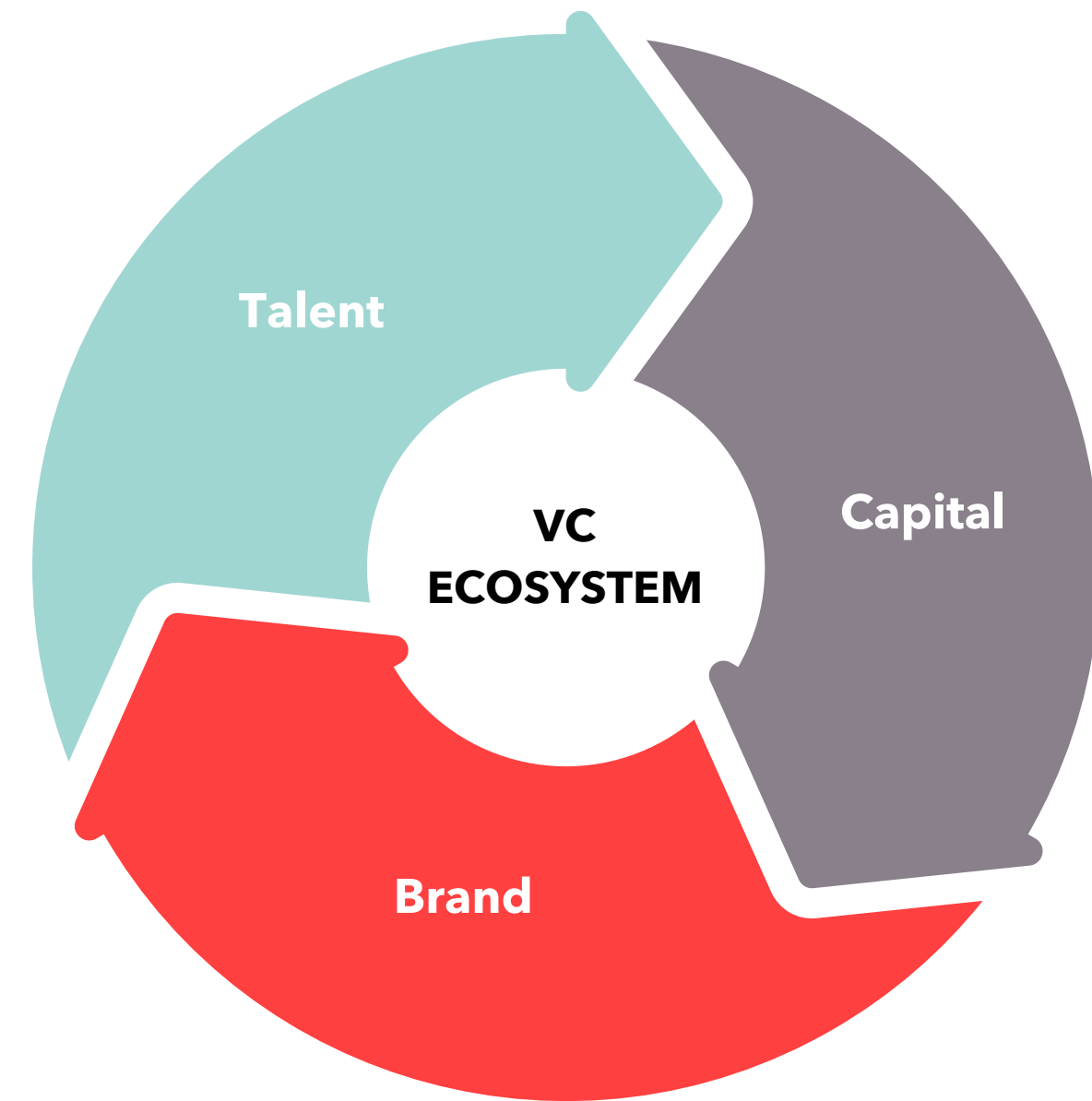
# Startup & Tech Ecosystem

Supporting the VC ecosystem enhances the foundation of the future economy with a focus on emerging and innovation-driven industry sectors

Talent: job opportunities and spinoff of new companies

Capital: local investment, national investment and re-investment back into the ecosystem

Brand: company successes lead to brand awareness and amplification





# Greater Phoenix Greater Together