

DESCRIPTION OF CITY OF PHOENIX SUPPORT

The City of Phoenix is able to present an assistance package that is designed to augment offerings at the State level. The Arizona Commerce Authority can provide a separate, detailed response outlining their incentive package. In order to highlight our desire to become a dedicated partner for years to come, the City of Phoenix would like to further explore the following with you:

Local Level Incentives/Programs:

In order to showcase the City of Phoenix's desire to be a partner of Project HQ2 for decades to come, we have identified a unique partnership that will not only provide benefit to HQ2, but will change the face of Downtown Phoenix, moving the entire City to new levels.

Consideration will be given to a performance based Development Agreement that would allow the Company and the City of Phoenix to enter into a 20-year tax sharing agreement in which the City would rebate a specific percent of new taxes generated by the project. The rebated funds would be provided to the Company, to invest in the City's Innovation District, and other areas of the City, [REDACTED]

[REDACTED] Further focus of these efforts would be on Smart City Initiatives that would also be placed throughout the City, with Phoenix having been named one of the 16 Smart Cities by the National Science Foundation in 2016.

[REDACTED]

This item is based on City Council approval at a future public meeting. However, our elected officials have been briefed, and are extremely supportive of this program.

SPEED TO OCCUPANCY/ PERMITS / WAIVE EXPEDITED FEES: The City of Phoenix has implemented a variety of **innovative programs to streamline and expedite the plan review and permit process.** These include "Phased Permitting"; "Self-Certification", which virtually eliminates traditional plan review; "Expedited Review", issuing permits in half the time of the regular permitting process; and "Annual Facilities Program (AFP)". We are committed to working with your design and construction team to identify the occupancy date and intend to utilize a combination of these programs to ensure your project timeline is met. We will waive additional fees typically associated with expediting and will dedicate an on-site team leader to smoothly coordinate all interaction with the City's development services team.

PERFORMANCE-BASED JOB CREATION FUND: The Mayor of Phoenix and Phoenix City Council have a long history of supporting projects that create quality jobs and investment in our Community. We work closely with our business community and understand there are significant costs involved in creating a culture and skill set that can support your business model. Because the City has a strong desire to see

Amazon grow in Phoenix, we are prepared to negotiate the use of a Strategic Economic Development Fund, after learning more about the types of positions and salary ranges of the jobs to be created.

Cap/Timing: There is no cap on the fund, however it is based on the number of jobs meeting a negotiated, eligible salary. Payment of this Strategic Job Fund from the City to Amazon would be tied to the total number of persons employed at its permanent Phoenix location, and would be paid in arrears. For example, Amazon would be reimbursed in year two for employees hired in year one. This item, of course, must be captured in a formal agreement approved by our City Council and voted on at a public meeting. While we cannot guarantee the outcome, it is important to note that City Council has been extremely supportive of creating quality jobs in the Community. We will be happy to pursue this confidentially with our elected officials at your direction.

INFRASTRUCTURE ASSISTANCE: Based on significant scale of the development described for this project, a recommendation may be made to City Council that the City participate in investing in the public infrastructure required for the campus. The final determination requires a site plan and a detailed overview of the public infrastructure required. This item, of course, must be captured in a Development Agreement and approved by our City Council, and voted on at a public meeting. While we cannot guarantee the outcome, it is important to note that City Council has been extremely supportive of creating high-wage, quality jobs in the community. We will be happy to pursue this confidentially with our elected officials at your direction.

WORKFORCE DEVELOPMENT FUNDS:

Phoenix is the only city in the metro area with an in-house team fully dedicated to workforce development and its own federal allocation of workforce funds. This allows us to directly meet the needs of employers quickly and efficiently. Our Workforce Program Manager will work with you to customize programs and complete applications to ensure you maximize these benefits. The following programs are also available:

- 1) On the Job Training Funds** We support growing companies who invest in their employees by offsetting training costs. On-the-job training, is an “earn-as-you learn” training that can offer local employers and job seekers access to federally funded grant dollars. **This program allows the employer to provide eligible employees 320 hours of on-the-job training and reimburses the employer 50% of the employee’s wages, up to \$3,000 per employee.** (not to exceed \$50,000/company per year)
- 2) Cohort Training Program or Customized Pre-hire Training:** The City of Phoenix can support funding for potential employee development for your client through the new Workforce Innovation and Opportunity Act (WIOA) framework. The Cohort Training Program will provide potential job seekers a specific high demand, industry recognized certification delivered by a trusted education partner. Your client will work with the education partner to thread customized training into the existing certification program, creating a better qualified job candidate. We can support Amazon’s future growth by 1) identifying eligible candidates through a prescreening process developed with your client; 2) define the skill set(s) and training that will help the candidates be successful; 3) Identify approved trainers; and 4) provide training for the selected cohorts.
- 3) Temporary Space – Phoenix Business and Workforce Development Center** - The City of Phoenix operates its own Business and Workforce Development Center, which is conveniently located in downtown Phoenix, across from the Central Station Transit Center. There is no need to wait until new space is ready to start conducting interviews and/or training. While the proposed site has immediate space available, we offer additional space to you free of charge for the first 6 months in the market. Not only do you realize a savings on rental space, but we do not have an in-house catering requirement like hotels and conference center space.

UNIVERSITY / COMMUNITY COLLEGE / HIGH SCHOOL TALENT PIPELINE Arizona State University, the University of Arizona and a host of technical and private institutions, provide well-qualified interns and graduates for our companies. Our community college system is nationally recognized as a leader in offering a range of customized training programs including certifications and degree programs specifically designed with the input of local professionals and companies. West-MEC and the East Valley Institute of Technology, our high school level Joint Technical Education programs are on forefront career and technical STEM education. Additionally, Phoenix Union High School District operates two leading edge academies, the Coding Academy and the BioSciences High School, just minutes from the proposed site. These schools cultivate critical thinkers, creative problem-solvers, and compassionate citizens and teaches them to thrive in our increasingly complex and technological communities. We are happy to arrange introductory meetings with each of these groups and coordinate funding assistance.

ADDITIONAL:

In-state tuition: The City of Phoenix is happy to facilitate meetings with Arizona State University to streamline the process for your relocating employees who are looking to take advantage of in-state tuition. We've worked with other companies who have done this successfully.

Relocation Previews: Our management team can assist in possible relocation of employees by traveling to your other locations (at our cost) to share information and / or answer questions about Phoenix's education, quality of life, housing, etc.