



## Sunshine, low-cost homes enough for Phoenix growth?

Catherine Reagor, The Republic | azcentral.com 6:02 a.m. MT Feb. 24, 2017

*Sunshine and affordable homes have long spurred metro Phoenix's growth. Is that enough to bring high-paying tech jobs?*



(Photo: David Kadlubowski/The Republic)

### STORY HIGHLIGHTS

- Phoenix has long been known as an inexpensive labor market with plenty of big warehouses
- Metro Phoenix is no mini Silicon Valley yet, but it is drawing more high-paying tech jobs
- The number of tech jobs in Phoenix climbed 58 percent last year

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Sunshine and affordable homes have long spurred metro Phoenix's growth.

On the downside, Phoenix has also long been known as an area with inexpensive labor and warehouses for call centers and distribution hubs.

But at least part of the Valley's original growth formula is now helping a number of startups bring coveted tech, automation and software-engineering jobs to the area.

Metro Phoenix is no mini Silicon Valley yet, but Greater Phoenix Economic Council CEO Chris Camacho and representatives from a group of venture-capital-funded Phoenix startups said the area is near a "tipping point to become a tech hub."

They made that prediction to Arizona's top real-estate and growth executives at Urban Land Institute Arizona's annual forecast on Thursday. The audience of hundreds listened closely as they described what could be a huge growth shifter for the Valley.

Camacho kicked off the panel called Phoenix Beyond the Tipping Point: More Than Sunshine and Cheap Labor by citing metro Phoenix's tech-job growth last year: 58 percent.

Brenda Schmidt, CEO of the health-care tech firm Solera Health based in downtown Phoenix, said thanks to Arizona State University and other universities in Arizona, the state has the tech talent but is having a hard time keeping those people here after they graduate.

Ori Eisen, who founded Scottsdale-based ID authentication firm Trusona, said the deterrent for the Valley becoming a growing tech hub isn't attracting venture capital. It's attracting enough engineers.

"We are paying \$150,000 for jobs that we can't fill," he told the crowd.

That's where the Valley's affordable home prices come in.

Eisen said one of the first things he shows engineer and developer job candidates is a picture of a beautiful Phoenix home with a pool.

"They ask if it's a \$15 million home from Silicon Valley," he said. "I tell them they can come here, do the same job they would at Google and afford a house like it, something many won't ever be able to do in San Francisco."

Alexi Venneri, CEO of Scottsdale-based automotive social-media firm Digital Air Strike, said the Valley isn't just a call-center hub for big tech firms like Yelp anymore.

She said more big tech firms are adding other operations and hiring developers here because the Valley has the right conditions for their growth.

Those conditions, including affordable home prices, helped bring tech pioneer Motorola to the Valley in the 1950s and later chip-making giant Intel, which recently announced a \$7 billion expansion of a Chandler plant.

Affordable homes and sunshine brought many of us to the Valley, or at least made us want to stay.