



CITY OF  
**Goodyear**

# Nike IHM, Inc.



## ABOUT NIKE

- Nike, Inc. is an international manufacturer of footwear, apparel, equipment & accessories, headquartered near Beaverton, Oregon
- Nike IHM, Inc. (dba Air MI) is a wholly-owned subsidiary of Nike, Inc.
- World's largest supplier of athletic shoes & apparel
- Air cushioning component primarily manufactured in the United States
- New facility in Goodyear will be the third plant in the United States and equipped with the latest high-tech equipment

### Nike Air Cushioning



#### NIKE AIR

Nike Air cushioning provides a comfortable ride. Nike Air is nearly always encapsulated in the midsole or outliner. Original Nike cushioning technology. Debuted in 1979.



#### MAX AIR

Max Air technology is a form of Nike Air cushioning that contains maximum air volume for maximum impact protection. Always visible in the midsole. Debuted in 1987.



#### ZOOM AIR

Zoom Air cushioning is a flat, thin unit that provides low-profile, super responsive cushioning for top speeds and fast "off-the-mark" movements. Debuted in 1995.



#### ZOOM AIR

Caged Zoom Air cushioning originated from the goal to increase the amount of Zoom Air cushioning underfoot and amplify the active, springy nature of the system. Debuted in 2003.



#### TUNED AIR

Tuned Air is a cushioning innovation that incorporates mechanical elements into a maximum-volume Air-Sole unit. Debuted in 1998.

### How Does It Work?

- 1 Pressurized air inside a tough yet flexible urethane bag.
- 2 Compresses to reduce the force of impact and then immediately recovers to its original shape and volume.
- 3 Specialized for the specific needs of the sport played, the athlete's size, terrain, distance covered, speed and direction of movement.
- 4 Configurations: heel, forefoot or in both locations.

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## SELECTING GOODYEAR

- After an extensive national search, Nike shortlisted sites in the US, including Goodyear and locations outside of AZ in April, 2019
  - Staff worked with the AZ Commerce Authority, GPEC, and APS
- Goodyear was selected due to:
  - Available and qualified workforce
  - Available building (spec build)
  - Expedited Process (one and done review)
  - Robust and reliable power grid
- Nike is looking to purchase an existing building in the City of Goodyear and expects to operate in approximately 500,000-square feet initially with room to expand

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## AGREEMENT PROVISIONS:

- Create up to 505 full-time positions
- Paying funded full-time positions an annual wage of at least \$42,614 (includes overtime and bonuses)
- Weighted average salary/wage of Phase 1 employees must be at least \$48,514 annually
- Nike pays at least 65% of employees health care insurance premium
- Invest at least \$184.5 million in capital equipment and tenant improvements in Phase I

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## AGREEMENT PROVISIONS: CITY OF GOODYEAR

- Waive/reimburse 75% of all non-expedited plan review & permit fees and 100% of the expedited portion of plan review fees for a total of up to \$994,810 for Phase I
- Job Creation Funding up to maximum of \$1,020,000 with a maximum payment of \$204,000 annually
- City agrees to process tenant improvement plans on an expedited basis after only one review with mutually agreed upon submission and review schedule

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## ECONOMIC IMPACT OF PROJECT

- Applied Economics estimates Nike will total more than \$483.4 million in total economic impact over the next five years
- Increased property and sales tax revenues generated by Nike, as well as its employees, vendors and service providers
- Direct revenue to the city is estimated to be \$7.6 million over the next five years

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## QUESTIONS AND DISCUSSION

