



# Arizona Competes Fund

Quarterly Report

October 1, 2022 through December 31, 2022

# ARIZONA COMPETES FUND

Quarterly Report

January 13, 2023

## ***I. Overview***

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Pursuant to A.R.S. § 41-1545 et seq., the Arizona Commerce Authority (the “Authority”) administers the Arizona Competes Fund (the “ACF”). In accordance with A.R.S. § 41-1545.02, grants from the ACF may be used for (i) attracting, expanding or retaining Arizona basic enterprises (A.R.S. § 41-1545.02(A)(1)); and (ii) supporting and advancing programs and projects for microenterprises, rural businesses, small businesses, and business development that enhance economic development (A.R.S. § 41-1545.02(A)(2)).

This document constitutes the Authority’s quarterly report regarding ACF activity for the second quarter (October 1, 2022 through December 31, 2022 (“Q2”)) of fiscal year 2023 (July 1, 2022 through June 30, 2023) (“FY2023”).

## ***II. Grants attracting, expanding, or retaining Arizona basic enterprises – A.R.S. § 41-1545.02(A)(1)***

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During Q2 of FY2023, the Authority awarded one (1) grant described below in accordance with A.R.S. § 41-1545.02(A)(1) representing a commitment of \$1,000,000.

<b>Grantee</b>	<b>The Reinalt-Thomas Corporation</b>
Award Amount	\$1,000,000
New Jobs Commitment	250 <sup>1</sup>
Average Wage Commitment	\$80,704
Health Insurance Commitment	65%
Capital Investment Commitment	\$200,000,000

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<sup>1</sup> The grant requires the grantee to retain 926 existing full-time jobs filled as of the effective date of the agreement paying an average annual wage of at least \$124,464.

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### **III. Grants supporting and advancing programs and projects for microenterprises, rural businesses, small businesses, and business development that enhance economic development – A.R.S. § 41-1545.02(A)(2)**

During Q1 of FY 2022, the Authority awarded one (1) grant in accordance with A.R.S. § 41-1545.02(A)(2) through the following programs and projects that support microenterprises, rural businesses, small business and business development that enhances economic development:

<b>Program:</b>	<b>Arizona Small Business Development Center Grant (AZSBDCG)</b>
<b>Objective:</b>	The AZSBDCG is a grant program administrated through the Arizona Small Business Development Center (SBDC) network to enhance economic development by tracking and improving business creation, location, and expansion activities for small businesses and in rural Arizona particularly. This program will extend ACA’s reach throughout Arizona with a constant presence via the SBDC staff promoting state programs and resources to small businesses.
<b>Grantees:</b>	One (1) AZSBDCG award was made in Q2 FY2023 to the following entity covering ten (10) Small Business Development Centers: 1. Maricopa County Community College - \$335,000

### **IV. Fund Status <sup>2</sup>**

Since inception of the ACF, the ACA has awarded 196 grants through various programs and projects resulting in gross ACF commitments to date totaling \$104,094,528. Under A.R.S. § 41-1545.02(A)(1), 50 grants have been awarded in the cumulative amount of \$72,400,000. Through the other programs and the project under A.R.S. § 41-1545.02(A)(2), 146 grants have been awarded in the cumulative amount of \$31,694,528.

In respect to the 50 grants originally awarded pursuant to A.R.S. § 41-1545.02(A)(1); (i) five grants in an aggregate amount of \$6,450,000 were relinquished by grantees without any payments to the respective grantees, and (ii) the performance periods of three other grants expired with aggregate remaining payment commitments of \$840,170, one of which resulted in a repayment by the grantee to the ACA of \$91,090.

<sup>2</sup> Totals in this section include grants funded by the ACA from FY12 to the present solely pursuant to A.R.S. § 41-1545.02.

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In respect to the funding of the programs and project under A.R.S. § 41-1545.02(A)(2), (i) one grant of \$250,000 was relinquished by the awardee without any payment to the awardee, and (ii) the performance period of twelve grants expired with aggregate remaining payment commitments of \$407,458.

Taking into consideration the adjustments described in the two preceding paragraphs, the net ACF commitments as of the date hereof total \$96,146,900 (\$114,094,528 in the original gross commitments minus aggregate adjustments of \$7,947,628).

## ***V. Reporting Schedule – FY2023***

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Report Name	Reporting Period	Date Published
First Quarter (“Q1”)	7/1/22 through 9/30/22	10/14/22
Second Quarter (“Q2”)	10/1/22 through 12/31/22	1/13/23
Third Quarter (“Q3”)	1/1/23 through 3/31/23	4/14/23
Fourth Quarter (“Q4”)	4/1/23 through 6/30/23	7/14/23
Comprehensive Annual Report	7/1/22 through 6/30/23	11/1/23

