



Arizona Competes Fund

Quarterly Report

April 1, 2024 through June 30, 2024

ARIZONA COMPETES FUND

Quarterly Report

July 15, 2024

I. Overview

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 third quarter (April 1, 2024 through June 30, 2024 (“Q4”)) of fiscal year 2024 (July 1, 2023 through June 30, 2024 (“FY2024”)).

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

During Q4 of FY2024, the Authority awarded three (3) grants described below in accordance with A.R.S. § 41-1545.02(A)(1) representing a commitment of \$6,800,000.

Grantee	Republic Services, Inc.
Award Amount	\$1,500,000
New Jobs Commitment	600 ¹
Average Wage Commitment	\$97,000
Health Insurance Commitment	65%
Capital Investment Commitment	\$120,000,000

Grantee	Lifestance Health, Inc.
Award Amount	\$300,000
New Jobs Commitment	100
Average Wage Commitment	\$125,000
Health Insurance Commitment	65%
Capital Investment Commitment	\$1,200,000

¹ The grant requires the grantee to retain 988 existing full-time jobs filled as of the effective date of the agreement paying an average annual wage of at least \$97,000.

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Grantee	ASM America, Inc.
Award Amount	\$5,000,000
New Jobs Commitment	500 ²
Average Wage Commitment	\$110,000
Health Insurance Commitment	65%
Capital Investment Commitment	\$331,000,000

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 Q4 of FY2024, the Authority awarded no grants in accordance with A.R.S. § 41-1545.02(A)(2).

IV. Fund Status

Since inception of the ACF, the ACA has awarded 225 grants through various programs and projects resulting in gross ACF commitments to date totaling \$130,829,528. Under A.R.S. § 41-1545.02(A)(1), 58 grants have been awarded in the cumulative amount of \$95,800,000. Through the other programs and projects under A.R.S. § 41-1545.02(A)(2), 167 grants have been awarded in the cumulative amount of \$35,029,528.

In respect to the 58 grants originally awarded pursuant to A.R.S. § 41-1545.02(A)(1); (i) five (5) 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 ten (10) other grants expired with aggregate remaining payment commitments of \$5,665,489, two (2) of which resulted in repayments by the grantee to the ACA of \$102,491.

In respect to the funding of the programs and projects under A.R.S. § 41-1545.02(A)(2), (i) two (2) grants in an aggregate amount of \$400,000 were cancelled without any payment to the awardee, and (ii) the performance period of 12 grants expired with aggregate remaining payment commitments of \$413,458.

Taking into consideration the adjustments described in the two (2) preceding paragraphs, the net ACF commitments as of the date hereof total \$117,900,582 (\$130,829,528 in the original gross commitments minus aggregate adjustments of \$12,928,946).

² The grant requires the grantee to retain 721 existing full-time jobs filled as of the effective date of the agreement paying an average annual wage of at least \$110,000.

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V. Reporting Schedule – FY2024

Report Name	Reporting Period	Date Published
First Quarter (“Q1”)	7/1/23 through 9/30/23	10/13/23
Second Quarter (“Q2”)	10/1/23 through 12/31/23	1/12/24
Third Quarter (“Q3”)	1/1/24 through 3/31/24	4/15/24
Fourth Quarter (“Q4”)	4/1/24 through 6/30/24	7/15/24
Comprehensive Annual Report	7/1/23 through 6/30/24	11/1/24

FY2025 Schedule

Report Name	Reporting Period	Date Published
First Quarter (“Q1”)	7/1/24 through 9/30/24	10/15/24
Second Quarter (“Q2”)	10/1/24 through 12/31/24	1/15/25
Third Quarter (“Q3”)	1/1/24 through 3/31/24	4/15/25
Fourth Quarter (“Q4”)	4/1/24 through 6/30/24	7/15/25
Comprehensive Annual Report	7/1/23 through 6/30/24	10/31/25

