

ARIZONA COMPETES FUND

Released April 15, 2014

Pursuant to A.R.S. § 41-1545 *et seq.*, the Arizona Commerce Authority (ACA) administers the Arizona Competes Fund. Under A.R.S. § 41-1545.02, grants from the Arizona Competes Fund may be used for (i) attracting, expanding or retaining Arizona businesses; and (ii) supporting and advancing programs and projects for rural businesses, small businesses and business development that enhance economic development. The ACA's fiscal year 2014 is July 1, 2013 through June 30, 2014.

Quarterly Report

Below is a summary of quarterly activity under the Arizona Competes Fund during fiscal year 2014.

3rd Quarter (1/1/14 through 3/31/14)

Attracting, expanding or retaining Arizona basic enterprises (A.R.S. § 41-1545.02(A)(1)):

No awards.

Supporting and advancing programs and projects for rural businesses and small businesses (A.R.S. § 41-1545.02(A)(2)):

- 1. Name:** Rural Economic Development Grant Program

Objective: The REDG Program is intended to help rural communities initiate and sustain economic development projects that focus on job growth and capital investment in base industries. The competitive grant is intended to promote local self sufficiency by providing direct assistance to rural communities for projects that (i) attract new business development from other states and/or (ii) retain and expand existing businesses, both for the purpose of job creation.

Awarded: \$869,156

Grantees: Two awards were made to the following entities:
 - 1) Town of Prescott Valley
 - 2) City of Coolidge

- 2. Name:** Arizona Innovation Challenge Program

Objective: The Innovation Challenge Program is a competitive business plan competition that awards qualified, innovative start-up and early stage companies capital to grow their business in Arizona.

Awarded: \$1,500,000

Grantees: Six awards were made to the following entities:
 - 1) Clear Demand
 - 2) Contatta
 - 3) Deliver IT

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- 4) Photon Medical Communications
- 5) Recoleta Digital Media
- 6) Yolia Health

2nd Quarter (10/1/13 through 12/31/13)

No Awards.

1st Quarter (7/1/13 through 9/30/13)

Attracting, expanding or retaining Arizona basic enterprises (A.R.S. § 41-1545.02(A)(1)):

- 1. Grantee:** **Hotchalk, Inc.**
Awarded: \$1,250,000
Projected Jobs: 595 (NAICS 611699)
Average Wage: \$68,000
Health Insurance: 65% paid by company
Potential Capital Investment: \$3,300,000

- 2. Grantee:** **ZocDoc, Inc.**
Awarded: \$750,000
Projected Jobs: 634 (NAICS 621999)
Average Wage: \$55,000
Health Insurance: 65% paid by company
Potential Capital Investment: \$6,000,000

Supporting and advancing programs and projects for rural businesses and small businesses (A.R.S. § 41-1545.02(A)(2)):

No awards.

Fund Status

Since inception of the Arizona Competes Fund in July 2011, the ACA has awarded nine grants under A.R.S. § 41-1545.02(A)(1), in the cumulative amount of \$10,700,000, and has funded two programs under A.R.S. § 41-1545.02(A)(2), in the cumulative amount of \$8,719,206, for a total of \$19,419,206.

Future Reporting Dates

4th Quarter Report	(4/1/14 through 6/30/14)	July 15, 2014
Comprehensive Annual Report	(7/1/13 through 6/30/14)	November 3, 2014