

# ARIZONA COMPETES FUND

Quarterly Report

January 15, 2015



ARIZONA  
COMMERCE  
AUTHORITY

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## 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 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, 2014 through December 31, 2014) (“Q2”) of fiscal year 2015 (July 1, 2014 through June 30, 2015) (“FY2015”).

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

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### A. Grants Awarded in Q2 FY2015

During Q2 FY2015, the Authority awarded the following single ACF grant in accordance with A.R.S. § 41-1545.02(A)(1) representing a commitment of \$1,500,000:

<b>Grantee</b>	<b>Zenefits (YourPeople, Inc.)</b>
Award Amount	\$1,500,000
New Jobs Commitment	1,300
Average Wage Commitment	\$60,000
Health Insurance Commitment	At least 65% payable by Grantee
Capital Investment Commitment	\$13,000,000

### B. Grants Awarded in Q1 FY2015

During Q1 FY2015, the Authority awarded no ACF grants in accordance with A.R.S. § 41-1545.02(A)(1).

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

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### **A. Grants Awarded in Q2 FY2015**

During Q2 FY2015, the Authority awarded grants in accordance with A.R.S. § 41-1545.02(A)(2) through the following single program supporting rural businesses:

**1. Program: Rural Economic Development Grant (“REDG”)**

**Objective:** The REDG is a competitive grant program designed to help rural Arizona communities develop infrastructure that strengthens their capacity and competitiveness for economic growth, and thereby ultimately improves economic conditions and enhances the quality of life in rural Arizona. To that end, the REDG provides grants to partially fund qualifying rural infrastructure projects that will generate private sector job creation (or retention) and capital investment, particularly in base industries.

**Awards:** REDG awards made in Q2 FY2015 aggregated \$966,000.

**Grantees:** REDG awards were made in Q2 FY2015 to the following four (4) entities:

1. Town of Chino Valley
2. City of Kingman
3. City of Maricopa
4. Town of Wickenburg

### **B. Grants Awarded in Q1 FY2015**

During Q1 FY2015, the Authority awarded no grants in accordance with A.R.S. § 41-1545.02(A)(2).

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## IV. Fund Status

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Since inception of the ACF, the ACA has awarded 12 grants under A.R.S. § 41-1545.02(A)(1) in the cumulative amount of \$14,500,000 and funded two (2) programs under A.R.S. § 41-1545.02(A)(2) in the cumulative amount of \$13,045,206, resulting in ACF commitments to date totaling \$27,545,206.

## V. Reporting Schedule – FY2015

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Report Name	Reporting Period	Date Published
First Quarter (“Q1”)	7/1/14 through 9/30/14	10/15/14
Second Quarter (“Q2”)	10/1/14 through 12/31/14	1/15/15
Third Quarter (“Q3”)	1/1/15 through 3/31/15	4/15/15
Fourth Quarter (“Q4”)	4/1/15 through 6/30/15	7/15/15
Comprehensive Annual Report	7/1/14 through 6/30/15	11/2/15