

ARIZONA COMMERCE AUTHORITY BOARD OF DIRECTORS

PUBLIC MEETING MINUTES

Wednesday, June 5, 2024 at 1:00 P.M.

Arizona Commerce Authority

100 N. 7th Avenue, Suite 100, Phoenix, AZ 8007

I. Call to Order and Roll Call

Governor Hobbs, Chair, called the June 5, 2024, meeting of the Arizona Commerce Authority Board of Directors to order at 1:03 p.m. The meeting was noticed and properly posted. Governor Hobbs requested Lauren Masseur take the role. A Quorum of voting members confirmed present.

Board Members Present:

Governor Katie Hobbs

Sandra Watson

Mara Aspinall (virtual)

Co-Chair Michael Bidwill

Jenn Daniels (virtual)

Dr. Richard Gray

Sharon Harper

Dr. Stacy Klippenstein (virtual)

Sherry Martin

Simer Mayo (virtual)

Mayor Doug Nicholls

Wick Pilcher

Dr. Robert Robbins (virtual)

Danny Seiden

Jack Selby (virtual)

Cathleen Walker

Board Members Not Present:

John Arnold

Tony Astorga

Dr. Michael Crow

Dr. José Luis Cruz Rivera

Phil Gallagher

Monica Garnes

Mark Gaspers

Pam Kehaly

Wes Kremer

Clate Mask

President Warren Petersen

Girish Rishi

Speaker Ben Toma

Supervisor Steve Miller

II. Welcome Remarks from Chair, Governor Katie Hobbs

Governor Hobbs welcomed all board members and audience members. She began by highlighting her administration's goal of creating 500,000 jobs by 2030.

She reported that since she took office, Arizona has added more than 100,000 jobs and the labor force has grown at a rate 3X the national average.

The Governor highlighted recent announcements from TSMC and Intel representing billions in investment and thousands of jobs. She recognized Arizona as a top destination for manufacturing and spoke about joining LG Energy Solution in April in Queen Creek to commemorate the company's construction progress.

None of Arizona's wins would be possible without Arizona's top-notch workforce, the Governor said. She discussed the creation of the Arizona Community College Workforce Scholarship Program, in partnership

with community colleges. She also spoke about creating the state's first-ever semiconductor registered apprenticeship program. The Governor then said that her office has allocated more than \$650,000 in grant awards to five construction and trades registered apprenticeship programs across the state as part of the BuildItAZ initiative.

The Governor gave an update on budget negotiations, saying that she's been meeting with leaders from both sides of the aisle and understands the importance of getting it right.

Lastly, the Governor brought up HCR2060, describing it as job-killing, budget-busting legislation that will be on the ballot in November. She highlighted the serious consequences for Arizona should the measure pass, including damage to Arizona's economy. She highlighted recent efforts from the federal government to address immigration and border security.

She thanked members who had spoken out against the measure and urged the business community to make its voice heard.

III. Welcome Remarks from Co-Chair, Michael Bidwill

Co-chair Michael Bidwill thanked the Governor for her leadership on the economy.

He discussed the Governor's commitment since she took office, including the many one-on-one meetings she's done with prospective businesses.

He referenced that when some at the Legislature wanted to use the ACA as a political football, the Governor stood firmly with the agency in support of economic development. That has made a big difference, he said.

Mr. Bidwill urged the Governor and members to keep Arizona's economic momentum going.

IV. Consent Agenda

Governor Hobbs called for a motion to approve the consent agenda and minutes from the February 1, 2024, meeting.

Michael Bidwill made a motion. Sharon Harper seconded the motion. The Governor called for the ayes. No nays were recorded. The consent agenda and minutes were approved.

V. CEO Report – Sandra Watson (A.R.S. § 38-431.02(K))

Sandra Watson thanked Governor Hobbs for her leadership.

She presented on fiscal year 2024 wins to date, including 91 projects representing more than 21,200 projected jobs with an average wage over \$74,600 and more than \$49.7 billion in capital investment.

She recognized leadership in attendance from the following companies, who had announced projects in 2024:

- Ascent Aviation Services
- Edwards Vacuum
- Fender
- Fortescue
- Intel

- Kohler
- MHIRJ Aviation
- Planatome
- Pentagon Technologies
- South32
- Super Radiator Coils
- TSMC
- UCT
- Wedgewood Pharmacy
- XNRGY

VI. Pipeline Update, Vic Narusis

Vic Narusis announced that, since the last meeting, the business development team added 111 new projects to the pipeline resulting in 435 pipeline projects, the largest in ACA history.

The largest share of opportunities came from the manufacturing project type (at 299), representing 69% of total opportunities and approximately 85% of total potential jobs.

The largest source of pipeline projects originates from international locations and California. Together, these two regions account for approximately 50% of the number of projects.

Five new mega projects were added to the pipeline representing over 5,000 potential jobs and nearly \$14 billion in potential capital expenditures. The total number of mega projects stands at 43, representing over 73,000 potential jobs and \$150B in potential capital expenditures.

Following Vic's presentation, Sandra Watson spoke about recent workforce wins, including receiving an award from Business Facilities Magazine for Arizona's Future48 Workforce Accelerators.

Lastly, she acknowledged that two ACA executive team members will be departing at the end of June – Brian Sherman and Vic Narusis. She highlighted each leader's substantial contributions to the state of Arizona and economic development. They received a rousing applause from all present.

VII. Executive Session

Governor Hobbs called a motion to move to executive session. Michael Bidwill made the motion; Cathleen Walker seconded the motion. Governor Hobbs called the Executive Session to order at 1:39 p.m.

VIII. Call to Board Members for Future Agenda Items

Governor Hobbs called the public session back to order at 2:20 p.m. The governor called for any future agenda items.

IX. Adjournment

Governor Hobbs, Chair, called for motion to adjourn. Sharon Harper made a motion. Michael Bidwill seconded the motion. All board members in favor. The meeting was adjourned at 2:22 p.m.