

Annual Report

Fiscal Year 2024

JULY 1, 2023 – JUNE 30, 2024

ARIZONA
COMMERCE AUTHORITY

Contents

- 3 From the President & CEO
- 4 Mission
- 6 Board of Directors
- 7 Executive Summary
- 8 Business Attraction & Expansion Results
- 11 Business Development
 - Small Business Services
 - AZ Manufacturing Extension Partnership
 - International Trade & Investment
 - Film & Digital Media
- 14 Rural Economic Development
 - Rural Investments Statewide
 - Arizona Broadband
- 17 Innovation & Entrepreneurship
 - Entrepreneurship Programs
 - Innovation Research Programs
 - Institute of Automated Mobility
 - Science Foundation Arizona
- 21 Semiconductor Strategy
 - Arizona Semiconductor Task Force
- 24 Workforce Development
 - Future48 Workforce Accelerators
 - Semiconductor Workforce Training
 - SciTech Institute
- 25 Marketing Arizona
 - Paid Media
 - Owned Media
 - Earned Media
 - Trade Shows & Events
- 26 Financial Program Reports



From the President & CEO

Friends of the ACA,

Fiscal Year 2024 (FY24) represented the second year of the ACA's new Five-Year Business Plan, titled "Scaling Arizona's Global Competitiveness," and another record-setting year for economic development in our state.

In FY24, the ACA and our partners worked with companies that committed to creating a projected 24,251 new Arizona jobs with an average wage of \$75,701. Those companies also committed to investing more than \$50 billion in local communities—setting ACA records for jobs, capital investment and wages.

We continue to prioritize our rural communities. With that in mind, FY24 saw wins across every corner of our state, with expansions taking place in Buckeye, Casa Grande, Chandler, Coolidge, Eloy, Gilbert, Glendale, Goodyear, Hayden, Kingman, Lake Havasu City, Litchfield Park, Maricopa, Mesa, Nogales, Patagonia, Peoria, Phoenix, Prescott, Safford, San Luis, Scottsdale, Somerton, Surprise, Tempe, Tolleson, Tucson, Winslow and Yuma.

To promote small business stability, growth and success, the ACA launched the Arizona Loan Guarantee Program, which provides guarantees to partnering lenders for up to 50% of principal on loans to eligible businesses. In addition, the ACA established a new Technical Assistance Program, which prepares Arizona small businesses for debt or equity funding and provides financial literacy training. Likewise, we furthered our partnership with Plug and Play accelerateAZ, which now oversees startup accelerator programs in the manufacturing and sustainability sectors.

The Arizona State Broadband team continued implementation of statewide broadband investments, including the historic \$993 million in funding for the Broadband Equity, Access & Deployment (BEAD) Program. BEAD prioritizes unserved and underserved households to improve connectivity, support economic growth, enhance education and improve health care access throughout Arizona—with the goal of connecting 100% of households in our state.

To further advance Arizona's dynamic semiconductor industry, the ACA invested more than \$100 million in our universities for research infrastructure and workforce development. The funding includes \$47.5 million to ASU, enabling the first-of-its-kind Materials to Fab (MTF) Laboratory at ASU's MacroTechnology Works facility, supporting the development of advanced

packaging and GaN capabilities; \$35.5 million to the University of Arizona, enabling a major expansion of the university's Micro/Nano Fabrication Center; \$13 million to Northern Arizona University to launch the Microelectronics Metrology certificate program; and \$4 million to establish Registered Apprenticeship Programs for semiconductor technicians. These dollars were supported by additional private and public sector advancements, as well as the work of the ACA-led Arizona Semiconductor Task Force, that continue to position Arizona as the fastest-growing semiconductor cluster in the world.

Throughout the year, we took additional steps to enhance Arizona's best-in-the-nation workforce, launching customized training pathways for in-demand industries. For example, in April 2024, Governor Hobbs announced a battery-focused Future48 Workforce Accelerator in partnership with the ACA, Pinal County, Central Arizona College and LG Energy Solution; and in November 2023, Governor Hobbs announced a semiconductor-focused accelerator in partnership with Maricopa Community Colleges. The Future48 Workforce Accelerators represent a partnership with industry leaders, equipping community colleges with the latest equipment and curriculum to scale advanced manufacturing talent quickly.

In the report that follows, you'll find detailed information on our results and accomplishments across the ACA's diverse suite of programming during FY24. As always, our team at the ACA is grateful for the steadfast leadership of Governor Hobbs and our entire board of directors. I also thank our many partners from around the state, including community leaders from industry, higher education, government and more—our success and Arizona's continued economic momentum has truly been a team effort.

I hope you enjoy learning more about the ACA and what we've achieved together in Fiscal Year 2024.



My best,

A handwritten signature in black ink that reads "S. Watson". The signature is fluid and cursive, written over a white background.

Sandra Watson
Arizona Commerce Authority President & CEO





Mission

The mission of the Arizona Commerce Authority is to grow and strengthen Arizona's economy and facilitate the creation of quality jobs for its citizens by supporting and attracting businesses in targeted, high-value base sectors throughout the state.

Board of Directors

The ACA is guided by a Board of Directors, led by Governor Katie Hobbs as Chairman. The Board represents a wide range of subject matter expertise and experience across business, policy and academia, all leveraged to advance the ACA's mission to strengthen the state's overall economy.

EXECUTIVE COMMITTEE



Governor Katie Hobbs
Governor
State of Arizona



Sandra Watson
President & CEO
Arizona Commerce Authority



Michael Bidwill
President
Arizona Cardinals



Girish Rishi
CEO
Cognite



Pam Kehaly
President & CEO
Blue Cross Blue Shield of AZ



John Arnold
Executive Director
Arizona Board
of Regents



Mara Aspinall
Partner
Illumina Ventures



Tony Astorga
CEO
AZTOR Health Management
Strategic Advisors



Dr. Michael Crow
President
Arizona State
University



Jenn Daniels
CEO
Horizon Strategies



Phil Gallagher
CEO
Avnet



Monica Garnes
Division President
Fry's Food Stores



Mark Gaspers
Senior Manager
Government Operations
The Boeing Company



Dr. Richard J. Gray
CEO
Mayo Clinic



Sharon Harper
Chairman & CEO
Plaza Companies



Dr. Stacy Klippenstein
Chancellor
Mohave Community
College



Wes Kremer
President
Raytheon Missile
& Defense



Board of Directors



Sherry Martin
CEO & Co-Founder
Tucson Tamale



Clate Mask
CEO & Co-Founder
KEAP



Simer Mayo
CEO & Founder
ValorGlobal



Honorable Stephen Q. Miller
Supervisor
Pinal County



Mayor Douglas J. Nicholls
Mayor
City of Yuma



Senator Warren Petersen
Senate President
State of Arizona



William Pilcher
CEO
USI Insurance Services



Dr. José Luis Cruz Rivera
President
Northern Arizona
University



Dr. Robert Robbins
President
University of Arizona



Danny Seiden
President & CEO
Arizona Chamber of
Commerce and Industry



Jack Selby
Managing Director
Thiel Capital



Representative Ben Toma
House Speaker
State of Arizona

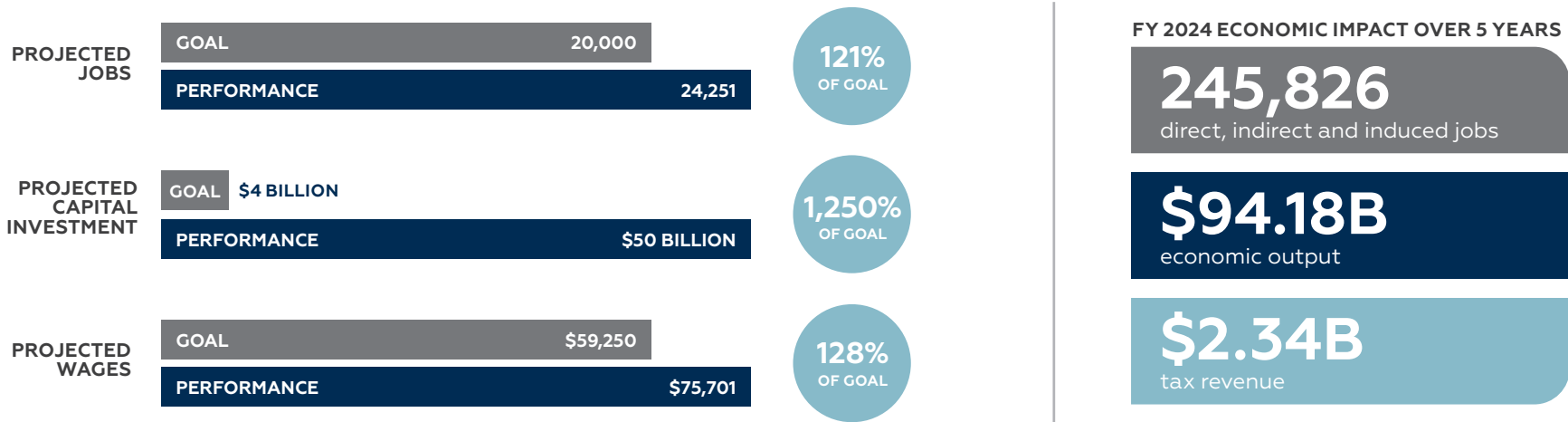


Cathleen C. Walker
Regional President for
Phoenix/Northern Arizona
PNC Bank



Executive Summary

Fiscal Year 2024 Results



\$993.1M

IN BEAD FUNDING SECURED FOR BROADBAND INFRASTRUCTURE

\$100M+

INVESTED IN SEMICONDUCTOR WORKFORCE TRAINING PROGRAMS

784,918

VISITS TO AZCOMMERCE.COM

4,096

PROJECTED NEW JOBS IN RURAL ARIZONA

3,878

SMALL BUSINESS ENGAGEMENTS

3,238

ARIZONA TECHNOLOGY COMPANY ENGAGEMENTS

401

ARIZONA MANUFACTURERS SUPPORTED BY ARIZONA MEP

336

ARIZONA COMPANIES ASSISTED THROUGH THE ARIZONA STEP EXPANSION PROGRAM

250

FILM & DIGITAL MEDIA PROJECTS ASSISTED



Business Attraction & Expansion Results

Fiscal Year 2024
Clients & Totals

107
PROJECTS ANNOUNCED

\$50B
CAPITAL INVESTMENT*

24,251
PROJECTED NEW JOBS*

\$75,701
AVERAGE SALARY*

*All figures present five-year projections.

QUARTER 1	QUARTER 2	QUARTER 3	QUARTER 4
Ascent Aviation Services	Ankor Technology	3Z Brands	Allo Fiber
Black Teal Energy	Brightmark	AGCO Corporation	Amphenol Corporation
Exact Sciences	Community Health Development Partners	Blue Polymers	BatchService
Foresight Technologies, Inc.	Custom Control Sensors, LLC	Chlorum Solutions	Birmingham Fasteners
Fortescue Metals Group	DSV	CMS Cooling	Buc-ee's
Freepoint Eco-Systems	Fender Music	Edwards Vacuum	Carbon Capture
Hermes-Epitek	FrameTec	Frites Street	CJ Logistics
Jacuzzi Brands	GEOST, Inc.	MHI RJ Aviation Group	Content at Scale
L & H Industrial, Inc. - Tempe	Meritage Homes	Oats Overnight, Inc.	Exalt Health
Lactails	NatureSweet Tomatoes	Pelliconi	Grower's Secret
MicroStar Logistics	Pentagon Technologies Group, Inc.	Pilgrim Aerospace Fasteners a Division of Pilgrim Screw Corporation	Intel-Chandler
Old Dominion Freight Line, Inc.	Piana Nonwovens, LLC	Quality Technology Services, LLC	Ivanhoe Electric
Open Laboratory Solutions	Planatome, LLC	Shock Therapy	Lumina Spes Group
Paleovalley	Saddle Creek Logistics	South 32 (FKA Arizona Mining)	Mitsubishi Chemical Advanced Materials, Inc.
Raytheon Missiles & Defense	Salad and Go	Spirit Electronics, LLC	Nautilus Systems
Republic National Distributing Company	Service Wire	Terraline	New East Solar Energy
Reunion Rehab Hospital	Super Radiator Coils	Ultra Clean Technology Systems and Services, Inc.	Pentec Health
Southwest Airlines Co.	Tube-Line Technologies	Vensure Employer Services	Schoeller Allibert
Stace Electric	Unical Aviation, Inc.		Setna iO
Sustainavolt	Vanguard Truck Center		Tippmann Group
Unical Aviation, Inc.	VB Cosmetics		Triple-S Steel
United Foods International	Zummit Plastics		True Course Simulations
West Pharmaceutical Services			TSMC
			Turafab AZ, LLC
			Twenty-First Century Healthcare, Inc.
			Vivid Impact
			Wedgewood Pharmacy

Business Development

The ACA is proud to offer a comprehensive suite of programs designed to support the growth and success of Arizona businesses of all sizes statewide.

SMALL BUSINESS SERVICES

The ACA supports small businesses statewide through many focused initiatives, including the Small Business Boot Camp, Small Business Digital Academy, Small Business Checklist, State Small Business Credit Initiative (SSBCI) and more. In FY24, ACA's virtual chatbot assistant SALLI (State and Local Licensing Information) handled **1,164** individual user inquiries and the Small Business Services team responded to an additional **1,730** direct requests for assistance.

The Small Business Boot Camp is a statewide initiative to help Arizona's small businesses grow into thriving businesses. In FY24, the Small Business Services team presented **48** webinar sessions with **2,939** attendees. The Small Business Services team also hosted eight in-person workshops, four in partnership with the Phoenix Business Journal, which were attended by a total of **322** small business representatives. April 2024 marked the fourth anniversary of the Small Business Boot Camp. Since its inception in 2020, the Boot Camp has supported more than **17,400** attendees, representing all **15** Arizona counties, and has featured more than **235** community presenters.

The Small Business Digital Academy is a three-week course that teaches entrepreneurs and small business owners how to utilize digital best practices and tools to promote their business. During FY24, the Small Business Services team conducted four Small Business Digital Academy cohorts with **268** participating small businesses.

In FY24, the ACA launched the SSBCI Technical Assistance Program to support small businesses that have previously applied or are applying for capital from an SSBCI supported program or other eligible federal or state program. The program prepares Arizona businesses for either debt or equity funding by providing legal, accounting and financial advisory services. Technical assistance is funded through group or one-on-one assistance depending on the progression of the business.



Small Business Boot Camp Results Since 2020

350 WEBINARS & WORKSHOPS HOSTED

17,400+ STATEWIDE ATTENDEES

235+ COMMUNITY PRESENTERS



Business Development

ARIZONA MANUFACTURING EXTENSION PARTNERSHIP

The Arizona Manufacturing Extension Partnership (AZ MEP) provides consulting services to small- and medium-sized manufacturers across the state with a mission to make every Arizona manufacturer the most successful business it can be. In FY24, AZ MEP completed **141** separate, client-specific projects with **76** manufacturers with the following success metrics reported by clients:

AZ MEP FY24 SUCCESS METRICS

\$35.2M
IN NEW CAPITAL INVESTMENTS

770
NEW JOBS CREATED OR RETAINED

\$9.7M
IN COST SAVINGS

\$38.9M
IN SALES REVENUE (GENERATED & RETAINED)



Business Development

ARIZONA MANUFACTURING EXTENSION PARTNERSHIP

As a member of the Manufacturing Extension National Network and the National Institute of Standards and Technology, AZ MEP offered the following programs and workshops in FY24:

- ▶ **Leadership Development Program:** Partnering with Maricopa Corporate College, AZ MEP offered a seven-session course for new leaders that takes place over four months. In FY24, AZ MEP graduated six cohorts and launched its seventh, eighth and ninth for a total of **209** participants from **72** companies across all cohorts.
- ▶ **Lean Green Belt Training and Certification:** Tailored to manufacturers and led by two AZ MEP staff continuous improvement experts, the program is offered in five sessions over three months. In FY24, **34** participants from **17** companies successfully completed the training and certification of the program.
- ▶ **Overview of Lean with Simulation:** Partnering with ASSA ABLOY, AZ MEP held two eight-hour Overview of Lean Simulation, a hands-on workshop that guides participants through the transition from a traditional manufacturing environment to a Lean, world-class enterprise. In FY24, **36** people from **13** companies participated in the workshop.

During October 2023, coinciding with Manufacturing Month, AZ MEP partnered with the Arizona Department of Education to offer students



tours of local manufacturing leaders. With more than **22** students from West-MEC participating, students toured Latham Industries, Nautilus Systems and Air2O and met with Arizona State University instructors to discuss best practices for entering the job market.

And finally, AZ MEP was honored to host the Arizona Manufacturing Summit, in partnership with SCORE. The summit discussed the latest manufacturing developments in Arizona, success stories of small businesses, insights into workforce challenges, supply chain and sources for further information and support.

Business Development

INTERNATIONAL TRADE & INVESTMENT

The ACA was honored to participate in **39** international events and trade delegation visits in FY24. These events included conferences and trade shows in strategic markets and included ACA representation at DSEI Defense & Security Expo in London, TADTE Aerospace & Defense Expo in Taiwan, Dubai International Airshow, Mexico Mining Summit in Cananea, Sonora, CIM Mining Expo in Vancouver and SelectUSA Investment Summit in Washington, D.C.

To support statewide foreign direct investment efforts, the ACA hosted an Arizona-based SelectUSA Spinoff Mission the week prior to the U.S. Department of Commerce hosted SelectedUSA Investment Summit. More than **24** executives and trade professionals representing over seven countries, largely in the semiconductor and aerospace & defense sectors attended the program to learn more about Arizona's workforce and manufacturing strengths.

In addition, the ACA hosted **15** delegation visits from multiple countries including Germany, India, Indonesia, Ireland, Japan and Vietnam. The ACA also hosted an International State of the State Forum where Counsels General from over **30** countries listened to industry and academic experts about Arizona's unique competitive advantages. These delegation visits showcase Arizona's FDI opportunities and highlight potential partnerships for bilateral trade.

In 2023, Arizona's exports reached an all-time high of **\$28.8 billion**, a **20 percent** increase from 2021. During FY24, the ACA provided over **500** trade assists to Arizona companies growing exports to over **55** countries in sectors including aerospace, advanced manufacturing, automotive, defense and security, optics and photonics, medical technology, mining technology and software.



Business Development

FILM & DIGITAL MEDIA

In FY24, the ACA provided direct assistance to filmmakers and production companies seeking to film in Arizona on **250** projects, with services ranging from location scouting and permitting to equipment and crew recommendations. These projects included independent feature films, music videos, commercials, TV episodes, documentaries and more.

The Reel Savings Industry Discounts Program enables private sector businesses in hospitality, restaurant, transportation, fashion and other service industries to support productions filming in Arizona by offering discounts or rebates. The program has continued to grow and added an additional **29** participating new vendors in FY24.

Launched in FY23, Arizona FILM READY Crew is a workforce training program that is offered at five statewide community colleges: Yavapai Community College, Coconino Community College (supported by Northern Arizona University), Scottsdale Community College, Glendale Community College (supported by Huntington University) and Pima Community College. In FY24, the program graduated **131** new production assistants with a Production Assistant (PA) Certification.



The ACA also continued to promote Arizona's Motion Picture Production Program, a refundable tax credit program that allows production companies the opportunity to recapture a percentage of qualified production expenses spent in Arizona to produce more than 50 percent of their movie, television show, commercial or music video.

Rural Economic Development

The ACA's mission to diversify the economy is rooted in remaining engaged in communities throughout the state providing guidance, technical assistance and strategies tailored to each location.

During FY24, the Rural Economic Development team supported over **100** clients and communities across Arizona. Highlights to some of these engagements included working with community leaders in Apache County to provide additional support to communities affected by coal facility closures and meeting with Mohave County officials in Kingman to discuss potential expansion efforts.

The ACA was also honored to participate in several events around the state, including an economic development resource workshop hosted by Senator Sinema, Arizona Western College in Yuma, Northern Arizona Council of Government's Economic Development Committee in Flagstaff and more.

In FY24, the ACA worked with **23** companies that committed to creating **4,096** projected new jobs with a capital investment of **\$5.77B** and at average wages of **\$64,801**. Client announcements in rural communities included Ascent Aviation Services in Marana, BlackStar Orbital in Sierra Vista, Community Health Development Partners in Lake Havasu City, Freepoint Eco-Systems in Eloy, NatureSweet in Graham County and NRS Logistics in Casa Grande.

The ACA has continued to actively engage with the new commercial port of entry in Douglas, Arizona. The General Services Administration has made a commitment of **\$216M** to create this much needed asset that will facilitate enhanced trade with Mexico.



Rural Economic Development

ARIZONA BROADBAND

Arizona's Broadband Equity, Access and Deployment (BEAD) program is the largest broadband investment in the state's history with the principal objective of universal broadband access for all. During FY24, the ACA hosted over **100** events statewide through in-person, hybrid, virtual forums, meetings and presentations to state, local, Tribal governments, Internet service providers (ISPs) and the general public to gather input on the deployment of **\$993.1 million** in BEAD funding for broadband infrastructure across the state. In August 2023, the State Broadband Office, housed under the ACA, released the BEAD Five-Year Action Plan. The plan serves as a guide to identify and deploy the state's historic broadband investment.

In October 2023, the State Broadband Office released the **BEAD Initial Proposal Volume I** for public comment. **Volume I** outlines existing broadband funding within Arizona and the list of locations designated as unserved and underserved in the FCC National Broadband Map, Arizona's Community Anchor Institutions (CAIs) as defined by the National

Telecommunications and Information Administration (NTIA) and the proposed plan for the BEAD Challenge Process.

In November 2023, the State Broadband Office released the **BEAD Initial Proposal Volume II** for public comment. Volume II outlines the long-term objectives for deploying broadband, closing the digital divide, addressing access, affordability, equity and adoption issues, and enhancing economic growth and job creation including information developed in the Five-Year Action Plan.

From March to May 2024, the State Broadband Office conducted the BEAD Challenge Process to allow stakeholders to challenge the accuracy of BEAD-eligible locations. Confirmation of locations that currently lack access to high-speed internet is essential for funding to be used to connect these areas. The Challenge Process provides an opportunity to correct inaccuracies in Arizona's broadband map, ensuring it reflects the most up-to-date broadband access across the state. As of June 2024, the State Broadband Office is currently compiling feedback from over **265,000** submissions and will submit all data to the NTIA for approval.



Rural Economic Development

ARIZONA BROADBAND

Arizona's Digital Equity program is an initiative to promote digital equity and inclusion to ensure that all people and communities have the skills, technology and capacity needed to reap the full benefits of a digital economy. During FY24, the ACA continued to host stakeholder engagements with community, nonprofit organizations (faith-based, school, library, health, housing, etc.), industry leaders and local government to gather input on the deployment of **\$16 million** in funding for digital equity support across the state. In January 2024, the State Broadband Office released the Digital Equity Plan for public comment, which was accepted by the NTIA in April 2024. This plan, written in response to the 15 requirements laid out by the NTIA, addresses specific barriers faced by Arizonans that fall within the eight covered populations as defined by NTIA:

1. Individuals who live in low-income households
2. Aging individuals
3. Incarcerated individuals, other than individuals who are incarcerated in a Federal correctional facility
4. Veterans
5. Individuals with disabilities
6. Individuals with a language barrier, including individuals who are English learners and have low levels of literacy
7. Racial and ethnic minorities
8. Rural inhabitants

In January 2024, the State Broadband Office held its inaugural "Internet for All Summit," bringing together over **200** key stakeholders from federal, state, tribal and local government as well as industry leaders to



coordinate efforts ahead of historic broadband investments. The two-day summit emphasized topics such as workforce, tribal government engagement, middle mile efforts and more and included presentations about Arizona's ongoing BEAD and Digital Equity planning.

In April 2024, the Arizona Department of Transportation (ADOT), in partnership with Governor Katie Hobbs and the ACA, entered into an agreement with eX² Technology to operate, maintain and lease space in fiber-optic conduit installed along Interstate 17, Interstate 19 and much of Interstate 40. This partnership represents the next step in leveraging state-owned, open-access conduit installed by ADOT to expand broadband internet access to homes and businesses in rural Arizona.

Innovation & Entrepreneurship

Developing Arizona's entrepreneurial ecosystem and fostering emerging technologies is critical for our state's continued global competitiveness and economic success.

ENTREPRENEURSHIP PROGRAMS

The Arizona Innovation Challenge (AIC), one of the largest business plan competitions in the U.S., is designed to advance innovation and technology commercialization opportunities in Arizona by assisting early-stage ventures to scale. In FY24, **ten** companies were added to the AIC portfolio from applicant pool of more than **100** ventures.

Since 2011, **130** startups from over **2,700** applicants have been selected as AIC awardees. As awardees, these startups entered the Venture Ready Accelerator program, receiving non-dilutive grant funding and access to mentors, investors, potential customers and talent.

In FY24, the ACA was proud to launch a new Sustainability Accelerator program under Plug and Play accelerateAZ. The program will support the growth of Arizona sustainability-focused startups in the areas of renewable energy, water resiliency, sustainable mining, circular materials and carbon neutrality. The new Sustainability program marks the second accelerator program launched under Plug and Play accelerateAZ alongside the Advanced Manufacturing program, which has selected **27** startups across two cohorts since launching in 2023. The Advanced Manufacturing program is supported by anchor partners Intel, Honeywell Aerospace, Raytheon Missiles & Defense and NXP.

The ACA also launched the Founders Forum, a monthly meeting with Arizona startup founders to discuss business challenges, provide valuable learning opportunities and celebrate success. In FY24, the ACA hosted three Founders Forum meetings with more than **40** participants at each meeting.



- 1 **AlgoFace**, an IT software company in Carefree, Arizona
- 2 **Dx4Liver, Inc.**, a bio and life sciences company in Scottsdale, Arizona
- 3 **Homer Farms**, a cleantech/renewable energy company in Phoenix, Arizona
- 4 **Macula Vision Systems**, a bio and life sciences company in Oro Valley, Arizona
- 5 **Nobel Works**, a cleantech/renewable energy company in Tucson, Arizona
- 6 **OXbyEL Technologies**, a cleantech/renewable energy company in Phoenix, Arizona
- 7 **Simplifiance**, an IT software company in Scottsdale, Arizona
- 8 **Solsta**, an IT software company in Phoenix, Arizona
- 9 **SunFlex Solar**, a cleantech/renewable energy company in Tempe, Arizona
- 10 **Swift Coat**, a cleantech/renewable energy company in Phoenix, Arizona

Creating connectivity in Arizona's ecosystem through events is valuable for entrepreneurs and investors, and the ACA is proud to continue to serve as a premier partner for the Arizona Technology Council, Arizona Bioindustry Association, AZ Nerd Network, Moonshot at NACET, Phoenix Startup Week, RAISE Global, Startup Tucson, TENWEST, Venture Madness by Invest Southwest, VC Network and Venture Café Phoenix.

Innovation & Entrepreneurship

INNOVATION RESEARCH PROGRAMS

In FY24, ACA's Innovation Team continued to administer two key federally funded programs to support entrepreneurs in Arizona—the Advanced Manufacturing Facilities (AMF) Grant and the Federal and State Technology (FAST) Partnership Program.

The Advanced Manufacturing Facilities (AMF) Grant provides matching funds to small businesses using Arizona State University's core facilities for semiconductor research and development. In FY24, **10** companies were awarded the AMF Grant.

The Federal and State Technology (FAST) Partnership Program provides funding for pre-seed startups to work with a grant consultant to help increase the success rate of SBIR/STTR Phase 1 proof-of-concept funding. In FY24, **21** companies participated in the FAST Partnership Program. Five additional companies were awarded travel grants to attend the TechConnect World SBIR Conference in Washington, D.C. in June 2024.



— ARIZONA —

SMALL BUSINESS INNOVATION RESEARCH ADVANCED MANUFACTURING FACILITIES GRANT AWARDEES

- 1 **Advent Diamond**, a semiconductor manufacturing company in Tempe, Arizona
- 2 **Beyond Silicon, Inc.**, a solar company in Tempe, Arizona
- 3 **BMSeed**, a biotechnology company in Phoenix, Arizona
- 4 **Cactus Materials**, a semiconductor supplier in Tempe, Arizona
- 5 **Elect Nano**, a semiconductor packaging company in Mesa, Arizona
- 6 **INanoBio**, a biotechnology company in Scottsdale, Arizona
- 7 **Lawrence Semiconductor**, a semiconductor wafer supplier in Tempe, Arizona
- 8 **Leap Photovoltaics**, a solar manufacturing company in Tempe, Arizona
- 9 **SunFlex Solar**, a solar manufacturing company in Tempe, Arizona
- 10 **SwiftCoat, Inc.**, an advanced surfaces manufacturer in Tempe, Arizona



Innovation & Entrepreneurship

INSTITUTE OF AUTOMATED MOBILITY (IAM)

During FY24, the ACA organized high profile events that showcased statewide expertise in Automated and Connected Vehicle (CAV) technology. As part of its advancement of the DRIVE Arizona Project,



Shaping the future of transportation safety, science, and policy

funded by the USDOT SMART Program, the IAM team hosted a V2X (“vehicle to everything”) Forum that convened automakers, telecom companies and

transportation officials from **24** states. The IAM team also produced an informative project video that was prominently featured at ITS America Conference & Expo and organized a half-day briefing with USDOT Chief Science Officer Dr. Robert Hampshire to demonstrate V2X solutions.

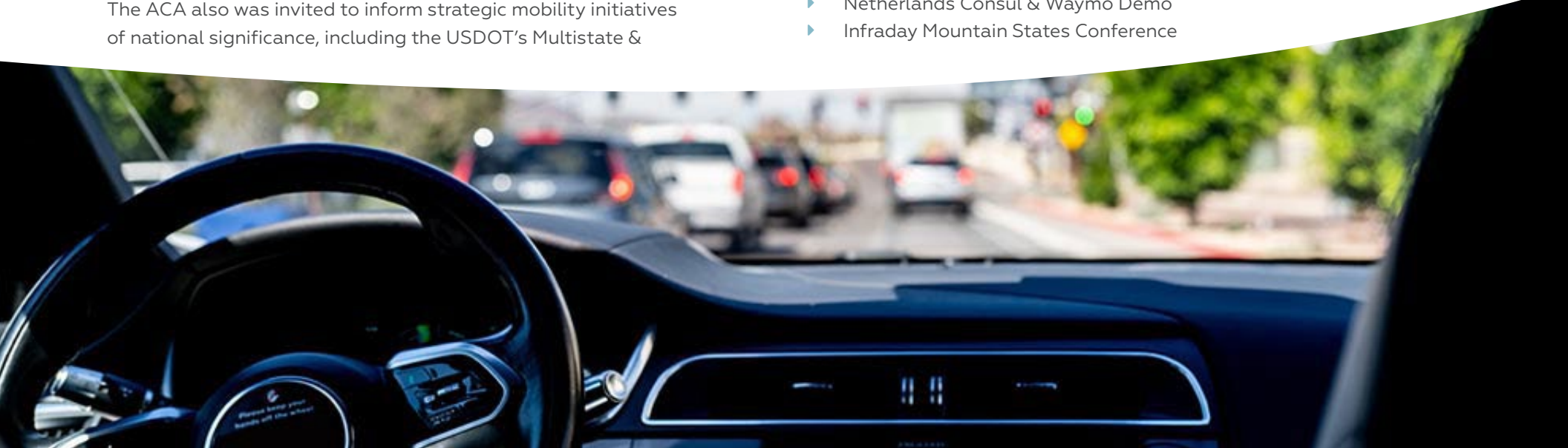
In conjunction with the National Institute of Standards and Technology (NIST), the IAM team hosted a global workshop on digital infrastructure, which recorded the highest attendance during the three-day event on standards and performance metrics for on-road automated vehicles.

The ACA also was invited to inform strategic mobility initiatives of national significance, including the USDOT’s Multistate &

Transcontinental Corridors Project, the Transportation Research Board’s Forum on AV & Shared Mobility and the National Cooperative Highway Research Program’s Guidebook for UAS & AAM implementation. Closer to home, the ACA was invited back to update the Arizona Senate UAM Committee on public-private air mobility efforts within the state and across the nation.

Finally, the ACA was honored to participate in several advanced mobility events throughout FY24 which included:

- ▶ 2023 ADOT DBE & Small Business Conference Panel on Broadband and EV Infrastructure
- ▶ RTAC with May Mobility
- ▶ IAM Collection Day
- ▶ DOE Roundtable with Office of Manufacturing and Energy Supply Chains Chief of Staff and AZ MEP
- ▶ ITE-IMSA Conference
- ▶ American Planning Committee AV Panel in Minnesota
- ▶ Japan Mobility Delegation
- ▶ Netherlands Consul & Waymo Demo
- ▶ Infraday Mountain States Conference



Innovation & Entrepreneurship

SCIENCE FOUNDATION OF ARIZONA (SFAZ)

In FY24, the SFAZ team continued work on three missions under the Advanced Mobility Pillar:

1▶ Automated Vehicle – Test and Evaluation Process (AV-TEP): The objective of the AV-TEP Mission is to develop a safety case-based framework that can be used by AV developers and regulators to



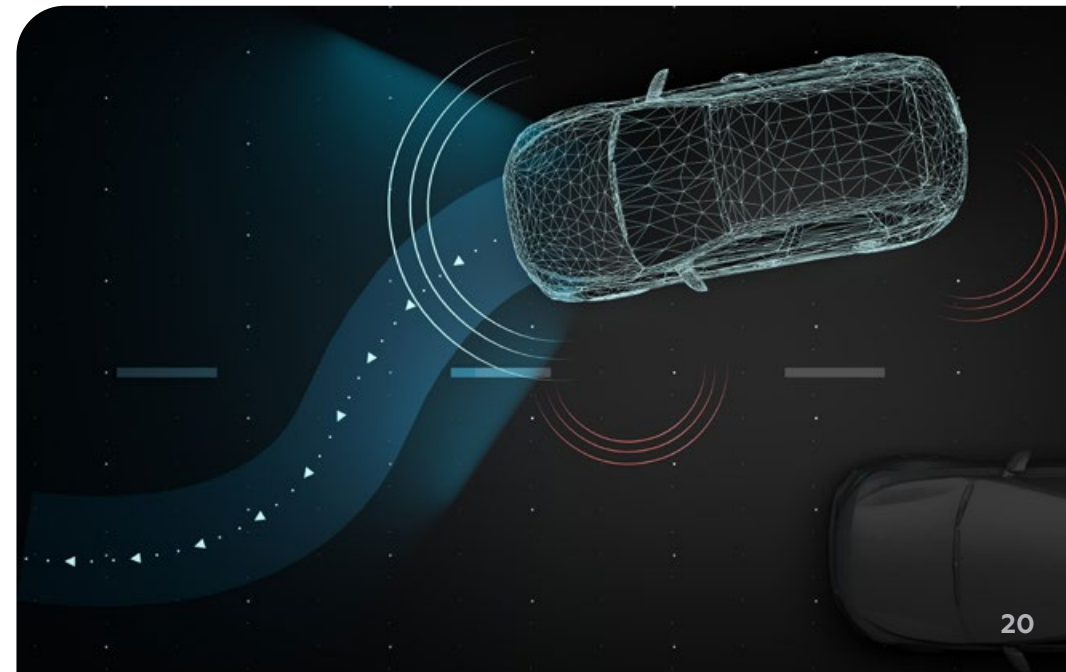
ensure that an AV is safe to be deployed on public roads. In collaboration with Arizona State University, the Mission has published **11** conference papers with another five in preparation during FY24. The impact of the

Mission will be ensured through standardization of the framework, including the publication of SAE J3237—which standardizes the AV evaluation metrics developed by the IAM—along with collaboration and coordination with other research groups (such as MITRE, San Francisco County Transportation Authority, Automated Vehicle Safety Consortium and more) and the National Highway Traffic Safety Administration (NHTSA).

2▶ Zero-Emission Vehicle – Collision Management System (ZEV-CMS): The objective of the ZEV-CMS Mission is to develop procedures and training for first and second responders addressing the aftermath of a collision involving a ZEV. In collaboration with Arizona-based Inception Forensic Engineering, the impact of the Mission will be ensured through stakeholder engagement, including Arizona first and second responder organizations and UL Standards & Engagement, an organization specializing in developing and publishing consensus standards. In

FY24, a first draft of the report outlining a literature review of the best practices and most promising equipment was completed.

3▶ Vehicle – Strategic Coordination of Advanced Vehicle Workforce Development in Arizona (V-SCAAWDA): The objective of the V-SCAAWDA Mission is to (1) identify the programs and curricula related to connected and automated vehicles (CAVs) and zero-emission vehicles (ZEVs) offered at Arizona premier educational institutions, (2) conduct workshops with workforce development stakeholders (including industry, academia and government) to identify gaps and opportunities for CAV/ZEV workforce development and (3) strategically coordinate the development of innovative CAV/ZEV workforce development initiatives. In FY24, a collaboration with an engineering education professor at Embry-Riddle Aeronautical University was initiated and the first workshop was held with plans for a follow-up workshop.



Semiconductor Strategy

The ACA works in close collaboration with industry, research and nonprofit partners to develop deep expertise, elevating the state's ability to grow high tech industries and create new opportunities.

ARIZONA SEMICONDUCTOR TASK FORCE

Launched in August 2022, the Arizona Semiconductor Task Force represents a statewide effort led by the ACA to coordinate the state's pursuit of competitive funding opportunities under the CHIPS Act, grow the semiconductor talent pipeline, strengthen and enhance connectivity throughout the supply chain and invest in semiconductor R&D infrastructure. Driven by industry-led efforts, the group includes more than **100** partner organizations from private industry, academia and the public sector working to maintain and grow Arizona's semiconductor leadership.

The group has convened **eight** full task force meetings as well as numerous subcommittee meetings in areas such as workforce, advanced packaging and the supply chain.

In 2024, the Commerce Department announced more than **\$14.5 billion** in direct support for Arizona-based semiconductor operations as well as over \$200 million invested for semiconductor R&D initiatives.



Workforce Development

Access to a steady pipeline of skilled employees continues to be a top area of focus as companies evaluate locations for growth. The ACA is dedicated to ensuring that our state meets the workforce needs of businesses and to helping job seekers connect to training resources and career opportunities.

FUTURE48 WORKFORCE ACCELERATORS



In FY24, Governor Katie Hobbs announced two additional Future48 Workforce Accelerators, a state-led initiative to equip community colleges with the latest equipment and curriculum to get workers on production lines quickly.

- ▶ **Central Arizona College's Superstition Mountain Campus in Apache Junction:** Launched in partnership with Pinal County, Central Arizona College, LG Energy Solution and the ACA, the Pinal County accelerator will offer workforce training focused on the manufacturing process of cylindrical lithium-ion batteries, used for electric vehicles and other technology applications. The accelerator will also provide hands-on process training for LGES manufacturing equipment and safety processes and incorporate virtual reality and simulation technology for personnel training.
- ▶ **GateWay Community College's Central City Campus in Phoenix:** Focused on meeting the needs of Arizona's rapidly growing semiconductor industry, the state-of-the-art training facility in Maricopa County will take place in close collaboration with semiconductor industry partners such as Intel, NXP and TSMC, establishing first-of-their-kind training pathways to help more Arizonans enter the microelectronics industry.

SEMICONDUCTOR WORKFORCE TRAINING

In July 2023, Arizona State University and Applied Materials, Inc. announced an alliance, aided by the ACA, that brings more than **\$270 million** to create a world-class shared research, development and prototyping facility, the Materials-to-Fab (MTF) Center, in the university's MacroTechnology Works building at ASU Research Park. The MTF Center will be designed to accelerate the transfer of innovations from ideation to fab prototype by bringing Applied Materials' state-of-the-art semiconductor manufacturing equipment into a collaborative environment where ASU and Applied Materials can work with industry partners, startups, government entities and academic institutions. The MTF Center will provide students and faculty with opportunities for hands-on learning and research on the same 300mm equipment used in leading-edge production fabs.

A photograph of a researcher wearing a white lab coat, safety glasses, and a hairnet, inspecting complex industrial equipment in a cleanroom setting. The equipment consists of various pipes, valves, and mechanical components.

A researcher inspects equipment at the ASU MacroTechnology Works facility

Workforce Development

SEMICONDUCTOR WORKFORCE TRAINING

In November 2023, the ACA announced an expansion of the University of Arizona's Micro/Nano Fabrication Center (MNFC) located in the University's Department of Electrical & Computer Engineering building in Tucson, Arizona. The MNFC is a cleanroom facility which supports manufacturing and research efforts involving semiconductors, computer chips, optical devices and quantum computing systems. The Center is supported by an investment of **\$35.5 million** from the ACA. The funding will also support the expansion of training and educational modules to ensure Arizona continues to grow its skilled workforce to meet industry demand.

Also in November 2023, the ACA announced investing **\$4 million** in ARPA funds to support the growth of Registered Apprenticeship Programs (RAPs) in Arizona supporting the semiconductor industry. In partnership with SEMI, these funds will cover costs such as tuition books, materials, supplies for participating apprentices and wraparound support services, such as transportation and childcare. The investment will be matched by increased capacity at the Department of Economic Security's Arizona Apprenticeship Office, which will add additional staff to enhance processing and program management.

In December 2023, the ACA announced investing **\$17.5 million** in Arizona State University to expand Arizona's advanced semiconductor manufacturing capabilities. The expansion will enhance Arizona's

fan-out wafer-level packaging R&D and workforce training capabilities and drive the creation of a GaN (gallium nitride) manufacturing and research ecosystem in the state to enable technology of the future. ASU will allocate the funding to purchase equipment to enhance the capabilities of ASU's MacroTechnology Works (MTW) in Tempe.

In February 2024, the ACA announced a **\$13 million** investment in Northern Arizona University to expand training programs and research related to metrology, a foundational component of semiconductor manufacturing and innovation. NAU will leverage the investment by establishing a Microelectronics Metrology Certificate program, a Semiconductor Training Center and a Metrology Research and Teaching Laboratory.



Governor Hobbs announced new workforce training initiatives in November 2023

Workforce Development

SCITECH INSTITUTE

SciTech Institute brings together collaborators from across Arizona to advocate for opportunities in the state's growing science, technology, engineering and mathematics (STEM) workforce.

The Arizona STEM Ecosystem is a collaborative, grassroots network of more than **900** state businesses, education, community and government organizations including six regional hubs and five statewide



**SCITECH
INSTITUTE**

working groups. As the ecosystem's backbone, SciTech Institute promotes STEM awareness and enthusiasm, builds local and diverse STEM leadership and supports Arizonans

entering higher-ed and STEM career pathways. In August 2024, the inaugural National Rural STEM Learning Summit was held in Flagstaff, Arizona and brought together over **100** STEM educators, community leaders, administrators and STEM industry professionals from across the country to strengthen and elevate the quality of STEM education in rural communities through practice and dialogue. Participants engaged with rural STEM experts on current methodologies, best teaching practices, hands-on workshops and networking. This event helped explore STEM education's unique challenges and opportunities in rural communities and provided practical resources and solutions.

In October 2023, SciTech Institute's STEM & Innovation Summit welcomed hundreds of students, formal and informal educators, industry leaders, government officials and community organizers to the Arizona Science Center for exploration, networking and collaboration. This year's summit

provided countless opportunities for participants to connect, collaborate and celebrate STEM in Arizona with five keynote speakers, **40** sessions, **38** exhibitor booths and a maker space, with featured topics including workforce, sustainability, VR and AI curricular integration, cross-sector collaboration and the future of STEM in Arizona.

The Arizona SciTech Festival, SciTech Institute's cornerstone initiative, is a statewide celebration of STEM that seeks to foster awareness of the state's STEM economy and inspire Arizonans of all ages to pursue STEM-related fields of study and careers. Presented by the ACA, Arizona Technology Council, Arizona Science Center, Arizona State University, the University of Arizona and the Arizona Board of Regents, the FY24 Arizona SciTech Festival's **97** collaborators and **21** sponsors engaged more than **125,000** attendees in over **55** events statewide.

The Chief Science Officers (CSO) program trains 6-12th grade youth as STEM leaders and ambassadors. At the program's core is a commitment to teaching youth the skills they need to be lifelong leaders and active citizens. CSOs practice their skills by developing and implementing yearly action plans (events, activities, projects) for their peers and communities and presenting the program, their action plans and impacts to school boards, chambers of commerce, civic leaders, businesses and industry. The 2023-2024 cohort comprised of **814** U.S. CSOs in **15** states (AL, AZ, CA, FL, GA, ID, IL, MI, NC, OH, OR, PA, TX, UT and VA) and **221** International CSOs in Columbia, Kenya, Kuwait, Mexico and the United Arab Emirates. Importantly, the program expands access to untapped, underserved youth. Collectively, the program reached **210,000+** people in FY24.



Marketing Arizona

Promoting Arizona’s unique value proposition to companies globally, as well as communicating the services and programs available to all Arizona businesses, is a critical component of the ACA’s efforts to grow and strengthen our economy statewide. In Fiscal Year 2024, Perfect Balance continued as the brand awareness campaign targeted to C-Suite executives in key markets and industries across the globe.

EVENTS & TRADE SHOWS

250

DOMESTIC
EVENTS

39

INTERNATIONAL
EVENTS

135

WEBINAR/VIRTUAL
EVENTS

PAID MEDIA

12.24M

TOTAL IMPRESSIONS

2.03M

TRADITIONAL MEDIA
IMPRESSIONS

10.21M

DIGITAL MEDIA
IMPRESSIONS

WEBSITE VISITS

784,918

VISITS TO AZCOMMERCE.COM
A **17%** INCREASE Y-O-Y

SOCIAL MEDIA



1,554,221

TOTAL SOCIAL MEDIA
IMPRESSIONS

95,739

SOCIAL MEDIA ENGAGEMENTS
A **46%** INCREASE Y-O-Y

1,891

TOTAL SOCIAL
MEDIA POSTS

EMAIL METRICS

5,766,954

EMAILS DELIVERED
20.43% OPEN RATE

PUBLIC RELATIONS

EARNED MEDIA

71

PRESS RELEASES POSTED
WITH A TOTAL OF

4.62B

IMPRESSIONS

AREA DEVELOPMENT

Arizona Daily Star

THE ARIZONA REPUBLIC

AP Associated Press

big AZBIGMEDIA

AXIOS

Business Facilities
The Source For Site Selectors

PHOENIX
BUSINESS JOURNAL

Forbes

Harvard
Business
Review

the japan times

MarketWatch

msn

REUTERS

TRADE & INDUSTRY
DEVELOPMENT

Financial Program Reports

Active Programs Summary

- 26 Table 1 – Fiscal Year 2024 Pre-Approved Active Programs Summary
- 27 Table 2 – Fiscal Year 2024 Post-Approved Active Programs Summary

Program-by-Program Detail

- 28 Table 3 – Arizona Competes Fund
 - 28 Table 3A – Fiscal Year 2024 A-1 Grants
 - 30 Table 3B – Fiscal Year 2024 AIC Grants
 - 31 Table 3C – Fiscal Year 2024 REDG Grants
 - 32 Table 3D – Fiscal Year 2024 AZSBDC Grants
 - 32 Table 3E – Fiscal Year 2024 Other Grant Programs
- 33 Table 4 – Fiscal Year 2024 Angel Investment Incentive Program
- 34 Table 5 – Fiscal Year 2024 Applied Research Centers and Institutes Fund
- 36 Table 6 – Fiscal Year 2024 Computer Data Center Incentive Program
- 38 Table 7 – Fiscal Year 2024 Healthy Forest Enterprise Incentive Program
- 40 Table 8 – Fiscal Year 2024 International Operations Center Incentive Program
- 42 Table 9 – Fiscal Year 2024 Military Reuse Zone Incentive Program
- 45 Table 10 – Fiscal Year 2024 Motion Picture Production Incentive Program
- 47 Table 11 – Fiscal Year 2024 Qualified Facility Incentive Program
- 50 Table 12 – Fiscal Year 2024 Quality Jobs Incentive Program
- 53 Table 13 – Fiscal Year 2024 Research and Development Incentive Program
- 58 Table 14 – Fiscal Year 2024 Water Infrastructure and Commerce Grant Program



TABLE 1 – FISCAL YEAR 2024 PRE-APPROVED ACTIVE PROGRAMS SUMMARY

NUMBER OF APPLICANTS PRE-APPROVED [1]	PROJECTED NEW JOBS [2]	AVERAGE WAGE OF PROJECTED NEW JOBS [2]	PROJECTED CAPITAL INVESTMENT [2]	INCENTIVES PRE-APPROVED IN YEAR BASED ON PROJECTIONS [3]
APPLIED RESEARCH CENTERS AND INSTITUTES FUND				
15	N/A	N/A	N/A	\$3,288,369
ARIZONA COMPETES FUND				
17	4,414	\$64,731	\$3,439,200,000	\$1,835,000
COMPUTER DATA CENTER INCENTIVE PROGRAM				
11	N/A	N/A	\$1,900,000,000+	N/A
HEALTHY FOREST ENTERPRISE INCENTIVE PROGRAM				
3	N/A	N/A	\$7,594,112	N/A
INTERNATIONAL OPERATIONS CENTER INCENTIVE PROGRAM				
1	N/A	N/A	\$1,250,000,000+	N/A
MILITARY REUSE ZONE INCENTIVE PROGRAM¹				
4	N/A	N/A	\$17,560,227	\$1,031,835
MOTION PICTURE PRODUCTION INCENTIVE PROGRAM				
13	N/A	N/A	\$25,303,174	\$2,717,202
QUALIFIED FACILITY INCENTIVE PROGRAM				
30	4,235	N/A	\$1,150,553,472	\$77,799,081
QUALITY JOBS INCENTIVE PROGRAM				
4	369	\$79,302	\$12,000,000+	\$3,321,000
WATER INFRASTRUCTURE AND COMMERCE GRANT FUND				
2	600	N/A	N/A	\$22,000,000
TOTALS/AVERAGE [4]	9,618	\$65,855	\$7,802,210,985	\$111,992,487

[1] Pre-approval generally entails a commitment of incentives to an applicant which is conditioned on the applicant subsequently achieving outcomes that establish final eligibility for the incentives. In the case of tax credit programs, pre-approval is reflected by issuance of a commitment letter. In the case of grant programs, pre-approval is reflected by execution of a grant agreement.

[2] "N/A" is indicated for programs in which the applicable metric is not a component of eligibility, confidential, or not available at the time of pre-approval.

[3] In some of the programs involving pre-approval, a specific incentive amount is committed at the time of pre-approval. In those programs, the amount of incentive pre-approved is either (a) in the case of tax credit programs, the amount of tax credits reserved or (b) in the case of grant programs, the maximum amount payable pursuant to the grant agreements. In programs involving pre-approval where a specific incentives amount is not committed, the pre-approval simply authorizes the applicant to claim certain benefits, which may include income tax credits, property tax reclassification or transaction privilege tax exemptions. "N/A" is included for programs in which the value of the incentive is not determined.

[4] Significant overlap exists between the projected jobs and capital investment figures reflected here and the projected jobs and capital investment figures reflected in the ACA's Fiscal Year 2024 master client list (at page 8). The data sets are not the same, however, for several reasons. Most significantly, not all businesses represented on the ACA's Fiscal Year 2024 master client list applied for incentives in Fiscal Year 2024 (and therefore are not represented in this table). Additionally, as the same projected job and the same capital investment can in some cases be claimed to establish eligibility under multiple incentive programs, the total new jobs and total capital investment numbers in the table may reflect some duplication (there is no such duplication in the Fiscal Year 2024 master client list).

TABLE 2 – FISCAL YEAR 2024 POST-APPROVED ACTIVE PROGRAMS SUMMARY

NUMBER OF APPLICANTS POST-APPROVED [1]	ACTUAL NEW JOBS CREATED [2]	AVERAGE WAGE OF NEW JOBS CREATED [2]	ACTUAL CAPITAL INVESTMENT MADE [2]	INCENTIVES AWARDED BASED ON ACTUAL ACTIVITY [3]
ARIZONA COMPETES FUND				
22	3,832	N/A	\$10,046,084,955	\$15,864,642
ANGEL INVESTMENT INCENTIVE PROGRAM				
40	N/A	N/A	N/A	\$1,059,606
COMPUTER DATA CENTER INCENTIVE PROGRAM				
6	N/A	N/A	\$2,964,014,223	N/A
HEALTHY FOREST ENTERPRISE INCENTIVE PROGRAM				
8	N/A	N/A	\$7,707,712	\$724,101
INTERNATIONAL OPERATIONS CENTER INCENTIVE PROGRAM				
3	N/A	N/A	\$300,000,000+	N/A
MILITARY REUSE ZONE INCENTIVE PROGRAM				
6	N/A	N/A	\$82,107,162	\$3,166,155
MOTION PICTURE PRODUCTION INCENTIVE PROGRAM				
1	N/A	N/A	N/A	\$110,000
QUALIFIED FACILITY INCENTIVE PROGRAM				
19	5,139	\$78,208	\$12,846,277,570	\$114,874,875
QUALITY JOBS INCENTIVE PROGRAM				
26	848	\$65,269	\$14,500,000	\$6,531,000
RESEARCH AND DEVELOPMENT INCENTIVE PROGRAM				
72	N/A	N/A	\$86,945,063	\$5,000,001
TOTALS/AVERAGE [4]	9,819	\$76,375	\$26,215,403,595	\$147,330,380

[1] Post-approval generally entails an award of incentives after an applicant has taken all steps necessary to establish final eligibility for the applicable incentive. Post-approval is reflected by (a) in the case of tax credit programs, a letter authorizing the applicant to claim tax credits through the Department of Revenue or the Department of Insurance and Financial Institutions over a period of years; (b) in the case of grant programs, a payment to the applicant for achieving a grant milestone; or (c) in the case of a tax exemption program, a letter confirming the applicant's eligibility to claim the exemption. In some cases, the submission of a program report by an applicant is deemed to be post-approval for purposes of this ACA report, though no actual ACA approval is involved, because the submission of reports in those cases is the process by which the ACA learns the outcomes achieved by the applicant.

[2] "N/A" is indicated for programs in which the applicable metric is confidential, or not a component of eligibility. Where figures are reported in the "New Jobs Created" and "Capital Investment Made" columns, they are based on information reported in Fiscal Year 2024; as such, they may include jobs created and capital investment made prior to Fiscal Year 2024.

[3] "Awarded" means (a) in the case of tax credit programs, the amount of tax credits authorized to be claimed through the Department of Revenue or the Department of Insurance and Financial Institutions over a period of years; (b) in the case of grant programs, the amount of grant payments made; or (c) in the case of tax exemption programs, the amount of exemptions reported to have been claimed by applicants. As incentive awards in a given year are often based on pre-approvals made in prior years, the amount of incentives awarded indicated in the table does not necessarily have any correlation with the amount of pre-approved incentives identified in Table 1. Further, because tax credits awarded may or may not be actually claimed by the applicant through the Department of Revenue or the Department of Insurance and Financial Institutions, the actual cost to the state of tax credit programs may be lower than indicated.

[4] Little overlap exists between the actual jobs and capital investment figures in this table and the projected jobs and capital investment figures of the ACA's Fiscal Year 2024 master client list (at page 8). This is primarily because the Fiscal Year 2024 master client list includes only projects that were announced in Fiscal Year 2024, whereas the vast majority of actual jobs and capital investment reflected in this table represent projects that were announced or established in previous years.

Arizona Competes Fund

Pursuant to A.R.S. § 41-1545 et seq., the Arizona Commerce Authority (ACA) administers the Arizona Competes Fund (ACF). In accordance with A.R.S. § 41-1545.02, grants from the ACF may be awarded for (i) attracting, expanding or retaining Arizona basic enterprises and (ii) supporting and advancing programs and projects for microenterprises, rural businesses, small businesses and business development that enhance economic development. Currently, five ACA grant programs are funded through the ACF: Deal-closing Grants (A-1 Grants), Arizona Innovation Challenge Grants (AIC), Rural Economic Development Grants (REDG), Arizona Small Business Development Center Grant (AZSBDCG), and Other Specialty Grants.

DEAL-CLOSING GRANTS (A-1 GRANTS)

A-1 Grants are offered for the purpose of attracting, expanding or retaining Arizona basic enterprises.

A.R.S. § 41-1545 defines an “Arizona basic industry” as manufacturing industries identified by North American Industry Classification System (NAICS) code sectors 31, 32 and 33; producing goods or services that derive at least 65% of their revenue from out-of-state sales; research and development of new products, processes or technologies; national or regional headquarters or back-office operations supporting a national or regional company; or warehouse distribution operations identified by NAICS code sector 42 if 65% of inventory is shipped out of state. Pursuant to A.R.S. § 41-1545.02, all A-1 Grants must demonstrate through analysis by an independent third party that estimated income, property tax, transaction privilege tax and government fee revenues in Arizona resulting from the project will exceed the state incentives available to the grantee.

These grants are typically structured over a number of years with the grantee being required to meet certain milestones before grant monies are paid. These companies are also required to report a number of verifiable performance results throughout the term of the grant agreement.

TABLE 3A – ARIZONA COMPETES FUND PROGRAM • FISCAL YEAR 2024 PRE-APPROVED A-1 GRANTS

FY 2024 APPLICANT (PRE-APPROVED)	PROJECTED NEW JOBS	AVERAGE WAGE OF PROJECTED NEW JOBS	PROJECTED CAPITAL INVESTMENT	INCENTIVES PRE-APPROVED BASED ON PROJECTIONS
EnPro Industries, Inc.	286	\$60,976	\$35,000,000	\$700,000
Nucor Steel Kingman, LLC	128	\$85,793	\$100,000,000	\$400,000
LG Energy Solution Arizona, Inc.	2,800	\$47,000	\$2,852,000,000	\$5,000,000
Republic Services, Inc.	600	\$97,000	\$120,000,000	\$1,500,000
ASM America, Inc.	500	\$110,000	\$331,000,000	\$5,000,000
LifeStance Health, Inc.	100	\$125,000	\$1,200,000	\$300,000
FY 2024 TOTALS/AVERAGE	4,414	\$64,731	\$3,439,200,000	\$12,900,000



TABLE 3A – ARIZONA COMPETES FUND PROGRAM • FISCAL YEAR 2024 POST-APPROVED A-1 GRANTS

FY 2024 APPLICANT (POST-APPROVED) [1]		ACTUAL NEW JOBS CREATED	AVERAGE WAGE OF NEW JOBS CREATED	ACTUAL CAPITAL INVESTMENT MADE	INCENTIVES AWARDED BASED ON ACTUAL ACTIVITY
Republic Services Customer Resource Center West, LLC	FY 2024	0	N/A	\$0.00	\$154,809
	Cumulative	167	\$41,569	\$4,672,406	\$154,809
Benchmark Electronics, Inc. [2]	FY 2024	-32	\$37,135	-\$4,810,370.00	\$0
	Cumulative	238	\$161,129	\$94,871,744	\$818,792
Atieva USA, Inc. dba Lucid Motors USA, Inc.	FY 2024	2,185	\$77,689	\$675,000,000	\$4,194,085
	Cumulative	2,185	\$77,689	\$675,000,000	\$4,194,085
Nationwide Mutual Insurance Company [2][3]	FY 2024	-1,407	\$107,348	-\$1,018,052.00	\$0
	Cumulative	0	N/A	\$180,484,069	\$0
Universal Electronics, Inc.	FY 2024	-10	\$114,588	\$428,941	\$0
	Cumulative	43	\$171,679	\$5,144,158	\$132,194
Allstate Insurance Company	FY 2024	0	N/A	\$0	-\$295,732
	Cumulative	687	\$79,757	\$34,984,030	\$269,994
Dot Foods, Inc.	FY 2024	-6	\$57,575	\$0	\$0
	Cumulative	45	\$55,450	\$11,745,720	\$87,500
Align Technology, Inc.	FY 2024	18	N/A	\$2,475,460	\$0
	Cumulative	73	\$253,268	\$8,008,682	\$220,690
Commercial Metals Company	FY 2024	27	\$85,344	\$52,000,386	\$0
	Cumulative	186	\$70,192	\$639,449,273	\$821,627
Ross Dress for Less, Inc.	FY 2024	0	N/A	\$181,041,212	\$0
	Cumulative	0	N/A	\$503,581,433	\$0
TSMC Arizona Corporation	FY 2024	1,662	\$183,947	\$9,008,464,288	\$10,000,000
	Cumulative	2,458	\$150,367	\$13,435,647,033	\$10,000,000
FY 2024 TOTALS/AVERAGE [1]		2,437	N/A	\$9,913,581,865	\$14,053,162
CUMULATIVE TOTALS/AVERAGE [1]		6,082	\$111,946	\$15,593,588,548	\$16,699,691

[1] Grants with activity in Fiscal Year 2024.

[2] Capital Investment total was adjusted by client.

[3] Retained jobs reported previously as new jobs - adjusted.

TABLE 3A – ARIZONA COMPETES FUND PROGRAM • CUMULATIVE A-1 GRANT ACTIVITY

CUMULATIVE GRANT ACTIVITY	ACTUAL NEW JOBS CREATED	AVERAGE WAGE OF NEW JOBS CREATED	ACTUAL CAPITAL INVESTMENT MADE	CUMULATIVE INCENTIVES AWARDED BASED ON ACTUAL ACTIVITY
TOTAL GRANTS AWARDED FY 2012-2024	24,047	\$88,794	\$19,660,667,121	\$55,501,406 [1]

[1] Prior year incentives were adjusted by \$7,500 to reflect the reversal of application fees for one grant agreement.



MICROENTERPRISES, RURAL BUSINESSES, SMALL BUSINESSES AND BUSINESS DEVELOPMENT GRANTS (A-2)

ARIZONA INNOVATION CHALLENGE (AIC) GRANTS

AIC grants are awarded to qualified, innovative start-up and early stage companies through a business plan competition known as the Arizona Innovation Challenge. AIC grants are extended to encourage commercialization of new technologies and small business growth, which may not result in immediate job creation and capital investment. Recipients are required to meet certain milestones and report measurable outcomes over a 12-month period in order to receive the award funds. These entities are also required to file progress reports for several years beyond their grant award.

TABLE 3B – ARIZONA COMPETES FUND PROGRAM • FISCAL YEAR 2024 AIC GRANT AWARDS

FISCAL YEAR 2024 AWARDEES
Algoface, Inc. is a software company focused on ethical Face AI solutions.
Dx4Liver, Inc. is a developer of diagnostic biomarker tests for liver diseases.
Homer Farms, Inc. is a clean-tech company that converts organic waste into liquid fertilizer and bioenergy to aid in the growth of organic food in vertical farms.
Macula Vision Systems is a developer of an automated computational equipment for microscopy testing.
Nobel Works Corp is a designer and producer of a rotational detonation engine for power generation, space, and aerospace applications.
OXbyEL Technologies, Inc. is a developer of water treatment technology intended to address the PFAS water contamination problem.
Simplifyance is a provider of consulting services and software to automate behavior health compliance.
Solid State Networks, LLC (Solsta) is a software company that automates and streamlines build distribution across platforms for the gaming industry.
SunFlex Solar, LLC is a developer of technology to interconnect back-contact silicon solar cells with patterned, embossed aluminum foil.
Swift Coat, Inc. is a manufacturer of an anti-reflective coating material using nanoparticles for the solar, window, and aerospace industries.

TABLE 3B – ARIZONA COMPETES FUND PROGRAM • FISCAL YEAR 2024 PRE-APPROVED AIC GRANTS

FY 2024 APPLICANT (PRE-APPROVED)	PROJECTED NEW JOBS [1]	AVERAGE WAGE OF PROJECTED NEW JOBS [1]	PROJECTED CAPITAL INVESTMENT	INCENTIVES PRE-APPROVED BASED ON PROJECTIONS
2024 TOTALS	N/A	N/A	N/A	\$1,500,000

[1] Beginning with the FY19 cohort, the grantee's performance milestones are linked to passage of coaching sessions through the Venture Ready Program with no projected new jobs. Job Creation will be collected and tracked during the performance period of each grant award.

TABLE 3B – ARIZONA COMPETES FUND PROGRAM • FISCAL YEAR 2024 POST-APPROVED AIC GRANTS

FY 2024 APPLICANT (POST-APPROVED)	ACTUAL NEW JOBS CREATED	AVERAGE WAGE OF NEW JOBS CREATED	ACTUAL CAPITAL INVESTMENT MADE	INCENTIVES AWARDED BASED ON ACTUAL ACTIVITY [1]
2024 TOTALS	39	\$79,237	\$12,302,059	\$1,476,480

[1] One grant totaling \$150,000 was refunded to the ACA by awardee.

TABLE 3B – ARIZONA COMPETES FUND PROGRAM • CUMULATIVE AIC GRANT ACTIVITY

CUMULATIVE GRANT ACTIVITY	ACTUAL NEW JOBS CREATED	AVERAGE WAGE OF NEW JOBS CREATED	ACTUAL CAPITAL INVESTMENT MADE	CUMULATIVE INCENTIVES AWARDED BASED ON ACTUAL ACTIVITY
TOTAL GRANTS AWARDED FY 2012-2024	888	\$71,672	\$35,584,547	\$24,862,989



MICROENTERPRISES, RURAL BUSINESSES, SMALL BUSINESSES AND BUSINESS DEVELOPMENT GRANTS (A-2)

RURAL ECONOMIC DEVELOPMENT GRANTS (REDG)

REDG grants partially fund qualifying rural infrastructure projects that will generate private sector job creation and capital investment, particularly in Arizona basic industries as defined in A.R.S. § 41-1545.

These grants are awarded by the Rural Business Development Advisory Council in competitive grant cycles. Grants reimburse rural entities for infrastructure improvements that enhance the community's competitiveness. Funds are paid out over time based on the achievement of milestones and recipients are required to submit quarterly reports on the funded projects to the ACA for a period of three or more years.

The infrastructure projects funded by this grant program are often part of long-term economic development initiatives within a local community and geared toward long-term job creation.

TABLE 3C – ARIZONA COMPETES FUND PROGRAM • FISCAL YEAR 2024 PRE-APPROVED REDG GRANTS

FY 2024 APPLICANT (PRE-APPROVED)	PROJECTED NEW JOBS	AVERAGE WAGE OF PROJECTED NEW JOBS	PROJECTED CAPITAL INVESTMENT	INCENTIVES PRE-APPROVED BASED ON PROJECTIONS
N/A	N/A	N/A	N/A	N/A
TOTALS/AVERAGE	N/A	N/A	N/A	N/A

TABLE 3C – ARIZONA COMPETES FUND PROGRAM • FISCAL YEAR 2024 POST-APPROVED REDG GRANTS

FY 2024 APPLICANT (POST-APPROVED)	ACTUAL NEW JOBS CREATED	AVERAGE WAGE OF NEW JOBS CREATED	ACTUAL CAPITAL INVESTMENT MADE	INCENTIVES AWARDED BASED ON ACTUAL ACTIVITY
N/A	N/A	N/A	N/A	N/A
FY24 TOTALS/AVERAGE	N/A	N/A	N/A	N/A

TABLE 3C – ARIZONA COMPETES FUND PROGRAM • CUMULATIVE REDG GRANT ACTIVITY

CUMULATIVE INCENTIVE ACTIVITY	ACTUAL NEW JOBS CREATED	AVERAGE WAGE OF NEW JOBS CREATED	CAPITAL INVESTMENT	CUMULATIVE ACTUAL INCENTIVES AWARDED BASED ON ACTUAL ACTIVITY
TOTAL GRANTS AWARDED FY 2012-2024	1,840	\$32,282	\$201,402,000	\$6,387,952

Arizona Small Business Development Center Grant (AZSBDCG)

The AZSBDCG is intended to help communities sustain economic development projects that focus on job growth and capital investment by leveraging the Small Business Development Center (SBDC) network coordinated by the Maricopa County Community College District (MCCCD). In order to qualify for Grant Payments, SBDC's across the State must assist with and report (among other metrics) job creation, capital investment, and community engagement activity resulting from assistance funded by the Grant.

TABLE 3D – AZSBDC GRANTS FISCAL YEAR 2024 AND CUMULATIVE ACTIVITY

GRANT YEAR	GRANTEE	PROPOSED GRANT AWARD	ACTUAL GRANT AWARD	JOB CREATION ESTIMATED	ACTUAL NEW JOBS CREATED	ESTIMATED AVERAGE WAGE [1]	AVERAGE WAGE OF NEW JOBS [1]	NEW CAPITAL INVESTMENT
2024	Maricopa County Community College District	\$335,000	\$335,000	465	1,356	N/A	N/A	\$120,201,031
CUMULATIVE TOTAL/AVERAGE		\$1,718,750	\$1,627,000	2,727	6,058	N/A	N/A	\$599,742,180

[1] Starting in FY24 average wage data is no longer available.

OTHER GRANT PROGRAMS

The ACA may create specialty grant programs from time to time. Those programs are summarized below.

TABLE 3E – OTHER GRANT PROGRAMS FISCAL YEAR 2024 AND CUMULATIVE ACTIVITY

GRANT YEAR	GRANTEE	PROPOSED GRANT AWARD	ACTUAL GRANT AWARD	ESTIMATED JOBS RETAINED	ACTUAL JOBS RETAINED
2024	N/A	N/A	N/A	N/A	N/A
CUMULATIVE TOTALS/AVERAGE		\$150,000	\$150,000	164	309

Angel Investment Incentive Program

The Angel Investment Tax Credit Program provides certified investors a tax credit equal to 30% of investments made in a Qualified Small Business (35% if the small business is a rural or bioscience business). This certification allows investors to claim tax credits on their eligible investments and receive favorable Arizona income tax treatment on related capital gains, pursuant to A.R.S. § 43-1022(21).

ACA may certify \$2.5 million of tax credits annually (plus any unused credits from prior years) from July 1, 2021 through June 30, 2031 for qualified investments made in qualified small businesses. ACA certifies tax credits on a year-round basis up to the cap on qualifying investments in qualified small businesses totaling at least \$25,000 when applications are received by the ACA within 90 days of the date of investment.

The ACA may certify small businesses that are qualified to receive Angel Investments. A Qualified Small Business must be either a corporation, limited liability company, partnership or other business entity exclusive of a sole proprietorship. To be certified for a 12-month period, the business must be in the early stage of development. It must also maintain a portion of its operations in Arizona and employ at least two full-time equivalent Arizona residents.

TABLE 4 – FISCAL YEAR 2024 APPROVED INVESTMENTS

Certified Investor Applications	40
Unique Investors Receiving Tax Credits	34
Investors' Investments in Certified Companies	\$3,378,878
Certified Companies Receiving Investments	17
Tax Credits Approved	\$1,059,606

TABLE 4 – FISCAL YEAR 2024 APPROVED QUALIFIED SMALL BUSINESSES (QSB)

FY 2024 APPLICANT (APPROVED QSB)	CERTIFICATION DATE	FY 2024 APPLICANT (APPROVED QSB)	CERTIFICATION DATE
Fidotek Corporation	7/1/2023	Remedy Medical Manufacturing, LLC	12/7/2023
Reglagene Holding, Inc.	7/12/2023*	iNanoBio, Inc.	12/7/2023
RxActuator, Inc.	7/12/2023*	ReSuture, Inc.	12/15/2023
Exceptional HEROES, LLC	7/20/2023	NuvOx Therapeutics, Inc.	1/1/2024
Rivia Health, Inc. (FKA RexPay, Inc.)	7/27/2023*	Steady Install, Inc.	1/17/2024*
Ink'd Greetings, LLC	8/1/2023	OOROO, Inc.	1/31/2024
Soraban, Inc.	8/18/2023*	Rayva, Inc.	2/9/2024
Marro Technologies, Inc.	9/2/2023	Effani Agriculture, Inc.	3/5/2024
DashLX (FKA PWR Lab, Inc.)	9/24/2023	Precision Epigenomics, Inc.	3/18/2024
Delta Development Team, Inc.	9/26/2023	Medplace, Inc.	4/15/2024
Botco.ai, Inc.	9/27/2023*	Reelay Meetings, LLC	4/28/2024
YellowBird Holdings	9/28/2023	Buzze, Inc.	5/25/2024
Alpha Yantrix, Inc.	10/1/2023	AlgoFace, Inc.	6/1/2024
Armorlube, LLC	10/3/2023*	iNaira Healthcare Technologies, Inc.	6/24/2024
TheraCea Pharma LC	11/30/2023	TOTAL	29

*Start of certification period precedes Certification Date



Applied Research Centers And Institutes Fund

The Arizona Commerce Authority (ACA) administers the Applied Research Centers and Institutes (ARC) grant program. The ACA has received legislative appropriations to provide funds for applied research centers and institutes that specialize in blockchain technology, wearable technology, and other targeted technology disciplines as legislatively provided. ARC funds may be awarded to any applied research center or institute provided they (i) receive matching funding from sources other than the state, (ii) collaborate with universities, nonprofit business associations, health science research centers, institutes or other technology businesses that do business in Arizona and (iii) research conducted is in support of a defined product or service for commercial use. ARCs report the amount of monies received and expended or encumbered to the ACA annually. Any grant monies received by an ARC that remain unexpended and unencumbered must be returned to the ACA.

LEGISLATIVE APPROPRIATIONS RECEIVED PURSUANT TO:

Laws 2019, Chapter 263, Section 129 of HB 2747	\$2,500,000
Laws 2021, Chapter 408, Section 17 of SB 1823	\$5,000,000
Laws 2022, Chapter 313, Section 19 of HB 2862	\$5,000,000
Laws 2023, Chapter 133, Section 19 of SB 1720	\$2,500,000
TOTAL APPROPRIATED	\$15,000,000

TABLE 5 – APPLIED RESEARCH CENTERS AND INSTITUTE • APPROVED GRANTS

ARC GRANTEE [1]	FISCAL YEAR	GRANT AMOUNT	RESEARCH TECHNOLOGY
Energy Blockchain Consortium, LLC	FY2020	\$250,000	Blockchain
Partnership for Economic Innovation	FY2020	\$250,000	Blockchain
Partnership for Economic Innovation	FY2020	\$250,000	Blockchain
Arizona Board of Regents - University of Arizona	FY2020	\$366,507	Wearables
Partnership for Economic Innovation	FY2020	\$383,493	Wearables
Institute of Automated Mobility	FY2020	\$250,000	Automated Mobility
Institute of Automated Mobility	FY2021	\$250,000	Automated Mobility
Energy Blockchain Consortium, LLC	FY2022	\$250,000	Blockchain
Arizona Board of Regents - University of Arizona	FY2022	\$394,497	Wearables
Arizona Board of Regents - University of Arizona	FY2022	\$499,020	Wearables
Partnership for Economic Innovation	FY2022	\$248,209	Wearables
Partnership for Economic Innovation	FY2022	\$249,998	Wearables
Partnership for Economic Innovation	FY2022	\$224,560	Wearables
Partnership for Economic Innovation	FY2022	\$112,578	Wearables

Table 5 – Applied Research Centers And Institutes • Approved Grants continued on next page >



Applied Research Centers And Institutes Fund

TABLE 5 – APPLIED RESEARCH CENTERS AND INSTITUTES • APPROVED GRANTS (CONTINUED)

ARC GRANTEE [1]	FISCAL YEAR	GRANT AMOUNT	RESEARCH TECHNOLOGY
Partnership for Economic Innovation	FY2022	\$245,227	Wearables
Partnership for Economic Innovation	FY2022	\$43,800	Wearables
Partnership for Economic Innovation	FY2022	\$232,200	Wearables
Partnership for Economic Innovation	FY2022	\$249,911	Wearables
Partnership for Economic Innovation	FY2023	\$200,000	Blockchain
Partnership for Economic Innovation	FY2023	\$50,000	Blockchain
Partnership for Economic Innovation	FY2023	\$150,000	Blockchain
Partnership for Economic Innovation	FY2024	\$250,000	Wearables
Partnership for Economic Innovation	FY2024	\$250,000	Wearables
Partnership for Economic Innovation	FY2024	\$249,898	Wearables
Partnership for Economic Innovation	FY2024	\$250,000	Wearables
Partnership for Economic Innovation	FY2024	\$249,500	Wearables
Partnership for Economic Innovation	FY2024	\$250,000	Wearables
Partnership for Economic Innovation	FY2024	\$137,000	Wearables
Partnership for Economic Innovation	FY2024	\$249,946	Wearables
Partnership for Economic Innovation	FY2024	\$250,000	Wearables
Partnership for Economic Innovation	FY2024	\$246,338	Wearables
Partnership for Economic Innovation	FY2024	\$250,000	ACA Target
Partnership for Economic Innovation	FY2024	\$250,000	ACA Target
University of Arizona/Tech Launch AZ	FY2024	\$105,687	ACA Target
Partnership for Economic Innovation	FY2024	\$50,000	Wearables
Partnership for Economic Innovation	FY2024	\$250,000	Wearables
FY 2024 TOTAL [2]		\$3,288,369	
CUMULATIVE TOTAL [1]		\$8,438,369	

[1] One Grantee returned funds unused. [2] Grants awarded in Fiscal Year 2024.



Computer Data Center Tax Incentive Program

The Computer Data Center Incentive Program provides transaction privilege tax and use tax exemptions at the state, county and local levels, on qualifying purchases of Computer Data Center (CDC) equipment. An owner, operator or qualified co-location tenant of a CDC may receive the exemptions provided by the incentive for up to ten full calendar years following the calendar year containing the effective date. However, if the CDC qualifies as a Sustainable Redevelopment Project, the exemptions are available for up to 20 full calendar years following the calendar year containing the effective date.

The transaction privilege tax and use tax exemptions provided by the incentive are available to CDC facilities that meet the following criteria:

- ▶ If the CDC Facility is located in either Maricopa or Pima County, a Capital Investment of at least \$50 million is made within the five year anniversary of the CDC certification effective date; OR
- ▶ If the CDC Facility is located in any county other than Maricopa or Pima, a Capital Investment of at least \$25 million is made within the five year anniversary of the CDC certification effective date; OR
- ▶ In the case of an Existing CDC, regardless of location, a Capital Investment of at least \$250 million was made during the period between September 1, 2007 and August 31, 2013; OR
- ▶ In the case of a Greenfield CDC, regardless of location, a Capital Investment of at least \$200 million is made within the five year anniversary of the CDC certification effective date.

TABLE 6 – FISCAL YEAR 2024 PRE-APPROVED COMPUTER DATA CENTER INCENTIVE PROGRAM

FY 2024 APPLICANT (PRE-APPROVED)	MINIMUM STATUTORY CAPITAL INVESTMENT [1]
Compass Data Centers PHX I, LLC	\$200,000,000+
Compass Data Centers PHX I, LLC	\$200,000,000+
Edged Phoenix, LLC	\$200,000,000+
Iron Mountain Data Centers, LLC	\$200,000,000+
EdgeConneX, Inc.	\$200,000,000+
MECP1 Mesa 2, LLC	\$200,000,000+
Microsoft Corporation	\$200,000,000+
Phoenix Infrastructure, LLC	\$50,000,000+
Quality Technology Services, LLC	\$200,000,000+
SDC PHX I, LLC	\$200,000,000+
TECfusions Tucson, LLC	\$50,000,000+
TOTAL	\$1,900,000,000+

[1] For purposes of this table, the applicants “certified” in FY 2024 based on commitments for future required investments were deemed to have been “pre-approved.” Correspondingly, the amount identified in the “Minimum Statutory Capital Investment” column is the minimum amount of aggregate capital investment the applicant that was “pre-approved” must make over a period of up to five years in order to sustain its certification. The actual amounts are confidential under A.R.S. § 41-1519(I).

TABLE 6 – FISCAL YEAR 2024 POST-APPROVED COMPUTER DATA CENTER INCENTIVE PROGRAM

FY 2024 APPLICANT (POST-APPROVED)	ACTUAL CAPITAL INVESTMENT [1]
Compass Data Centers PHX I, LLC	\$200,000,000+
Iron Mountain Data Centers, LLC	\$50,000,000+
Microsoft Corporation	\$200,000,000+
Redale, LLC	\$200,000,000+
Stream Data Centers, LP	\$50,000,000+
Vantage Data Centers AZ11, LLC	\$200,000,000+
TOTAL	\$2,964,014,223

[1] The amount identified in the “Actual Capital Investment” column is the minimum amount of aggregate capital investment the applicant was required to make. The actual amounts are confidential pursuant to A.R.S. § 41-1519(I).

TABLE 6 – CUMULATIVE COMPUTER DATA CENTER INCENTIVE PROGRAM ACTIVITY

APPLICANT POST-APPROVAL YEAR	ACTUAL CAPITAL INVESTMENT [1]
FY 2014	\$1,000,000,000+
FY 2015	\$250,000,000+
FY 2016	\$0
FY 2017	\$0
FY 2018	\$0
FY 2019	\$200,000,000+
FY 2020	\$300,000,000+
FY 2021	\$50,000,000+
FY 2022	\$350,000,000+
FY 2023	\$200,000,000+
FY 2024	\$900,000,000+
TOTAL	\$7,372,014,392

[1] The amount identified in the “Actual Capital Investment” column is the minimum amount of capital investment the applicants were required to make in the aggregate over a period of up to five years in order to sustain its certification. The actual amounts are confidential pursuant to A.R.S. § 41-1519(I).

Healthy Forest Incentive Program

The Healthy Forest Enterprise Incentive is designed to promote forest health in Arizona by providing incentives for certified businesses that are primarily engaged in harvesting, processing or transporting forest products. The following incentives are provided by the Healthy Forest Enterprise Incentive:

- ▶ Reduction in tax imposed on use fuel. Use fuel is defined as all gas and liquid used to propel a motor vehicle except fuels that are subject to motor vehicle fuel tax.
- ▶ Transaction privilege tax exemption on purchased qualifying equipment, leased or rented qualifying equipment, construction contracts, equipment repair parts and motor vehicle fuel and use fuel.
- ▶ Use tax exemption on qualifying equipment purchased out-of-state, equipment repair parts and motor vehicle fuel and use fuel.
- ▶ Property tax reduction.
- ▶ Production Income Tax Credit – Arizona income tax credit equal to: \$10,000 for the first twenty thousand tons of qualifying forest products the taxpayer processes in a calendar year, and \$5,000 for every ten thousand tons thereafter.



TABLE 7 – FISCAL YEAR 2024 PRE-APPROVED HEALTHY FOREST INCENTIVE PROGRAM

FY 2024 APPLICANT (PRE-APPROVED)	PROJECTED NEW JOBS [1]	AVERAGE WAGE OF NEW JOBS PROJECTED [1]	PROJECTED CAPITAL INVESTMENT	INCENTIVES PRE-APPROVED BASED ON PROJECTIONS
Perkins Timber Harvesting, LLC	N/A	N/A	[2]	N/A
Perkins Natural Resources, LLC	N/A	N/A	[2]	N/A
Southwest Forest Products, Inc.	N/A	N/A	[2]	N/A
TOTALS/AVERAGE	[1]	[1]	\$7,954,112	N/A

[1] The Employment Income Tax Credit benefit was removed September 23, 2022 eliminating the need to report job creation or wages.

[2] This information is confidential pursuant to A.R.S. § 41-1516(H).

TABLE 7 – FISCAL YEAR 2024 POST-APPROVED HEALTHY FOREST INCENTIVE PROGRAM

FY 2024 APPLICANT (POST-APPROVED)	ACTUAL NEW JOBS CREATED [1]	AVERAGE WAGE OF NEW JOBS CREATED [1]	ACTUAL CAPITAL INVESTMENT	INCENTIVES AWARDED BASED ON ACTUAL ACTIVITY
Canyon Creek Logging, Inc.	N/A	N/A	[2]	[2]
Dakota Logging, LLC	N/A	N/A	[2]	[2]
Mann's Clean-up Services, Inc.	N/A	N/A	[2]	[2]
Perkins Natural Resources, LLC	N/A	N/A	[2]	[2]
Perkins Timber Harvesting, LLC	N/A	N/A	[2]	[2]
Southwest Forest Products, Inc.	N/A	N/A	[2]	[2]
Chippin-In, LLC	N/A	N/A	[2]	[2]
Novo BioPower, LLC	N/A	N/A	[2]	[2]
TOTALS/AVERAGE	[1]	[1]	\$7,707,712	\$724,101

[1] The Employment Income Tax Credit benefit was removed September 23, 2022 eliminating the need to report job creation or wages.

[2] This information is confidential pursuant to A.R.S. § 41-1516(H).

TABLE 7 – CUMULATIVE HEALTHY FOREST INCENTIVE PROGRAM ACTIVITY

POST-APPROVAL YEAR	ACTUAL NEW JOBS CREATED [1]	AVERAGE WAGE OF NEW JOBS CREATED [1]	ACTUAL CAPITAL INVESTMENT MADE	INCENTIVES AWARDED BASED ON ACTUAL ACTIVITY
FY 2011	N/A	N/A	\$1,057,587	\$124,643
FY 2012	N/A	N/A	\$995,624	\$23,160
FY 2013	N/A	N/A	\$806,669	\$11,997
FY 2014	N/A	N/A	\$180,425	\$43,559
FY 2015	N/A	N/A	\$4,865,729	\$228,234
FY 2016	N/A	N/A	\$7,027,145	\$403,158
FY 2017	N/A	N/A	\$8,247,075	\$478,638
FY 2018	N/A	N/A	\$6,299,977	\$620,093
FY 2019	N/A	N/A	\$9,633,507	\$591,301
FY 2020	N/A	N/A	\$16,908,074	\$348,488
FY 2021	N/A	N/A	\$4,463,182	\$404,234
FY 2022	N/A	N/A	\$22,441,134	\$1,046,304
FY 2023	N/A	N/A	\$71,988,015	\$343,064
FY 2024	N/A	N/A	\$7,707,712	\$724,101
TOTALS/AVERAGE	[1]	[1]	\$162,621,855	\$5,390,974

[1] The Employment Income Tax Credit benefit was removed September 23, 2022 eliminating the need to report job creation or wages. This information was confidential pursuant to A.R.S. § 41-1516(H).



International Operations Center Tax Incentive Program

The International Operations Center Incentive Program provides utility relief to the owner or operator of an International Operations Center (IOC) that self-consumes renewable energy from a qualified facility. Utility relief is defined as the mitigation of the tax burden on the retail purchaser of electricity or natural gas.

An owner or operator of an IOC may receive the utility relief if it achieves both of the following investment requirements:

- ▶ Minimum annual investment of \$100 million in new capital assets. Investments greater than \$100 million in any taxable year may be carried forward.
- ▶ On or before the tenth anniversary of certification, a minimum investment of at least \$1,250,000,000 in new capital assets.
- ▶ Invest \$100 million in one or more Renewable Energy Facilities (“REF”) in Arizona that produce energy for self-consumption using renewable energy resources within a three-year period beginning the date of the initial application or by December 31, 2030.

TABLE 8 – FISCAL YEAR 2024 PRE-APPROVED INTERNATIONAL OPERATIONS CENTER INCENTIVE PROGRAM

FY 2024 APPLICANT (PRE-APPROVED)	MINIMUM STATUTORY CAPITAL INVESTMENT [1]
Redale, LLC	\$1,250,000,000+
TOTAL	\$1,250,000,000+

[1] For purposes of this table, the applicants “certified” in FY 2024 based on commitments for future required investments were deemed to have been “pre-approved.” Correspondingly, the amount identified in the “Minimum Statutory Capital Investment” column is the minimum amount of aggregate capital investment the applicant that was “pre-approved” must make over a period of ten years in order to sustain its certification. The actual amounts are confidential under A.R.S. § 41-1520(I).

TABLE 8 – FISCAL YEAR 2024 POST-APPROVED INTERNATIONAL OPERATIONS CENTER INCENTIVE PROGRAM

FY 2024 APPLICANT (POST-APPROVED)	ACTUAL CAPITAL INVESTMENT [1]
Apple, Inc.	\$100,000,000+
Microsoft Corporation	\$100,000,000+
Redale, LLC	\$100,000,000+
TOTAL	\$300,000,000+

[1] The amount identified in the “Actual Capital Investment” column is the minimum amount of aggregate capital investment the applicant must make in order to sustain its certification. This amount may include a carryover from excess investment in a prior year. The actual amount is confidential pursuant to A.R.S. § 41-1520(I).

TABLE 8 – CUMULATIVE INTERNATIONAL OPERATIONS CENTER INCENTIVE PROGRAM ACTIVITY

POST-APPROVAL YEAR	ACTUAL CAPITAL INVESTMENT [1]
FY 2016	N/A
FY 2017	N/A
FY 2018	\$100,000,000+
FY 2019	\$100,000,000+
FY 2020	\$100,000,000+
FY 2021	\$100,000,000+
FY 2022	\$100,000,000+
FY 2023	\$200,000,000+
FY 2024	\$300,000,000+
TOTAL	\$1,000,000,000+

[1] The amount identified in the “Actual Capital Investment” column is the minimum amount of aggregate capital investment per year the applicant must make in order to sustain its certification. This amount may include a carryover from excess investment in a prior year. The actual amount is confidential pursuant to A.R.S. § 41-1520(I).

Military Reuse Zone Incentive Program

The Military Reuse Zone Program (MRZ Program) was established by the state legislature in 1992 to lessen the impact of military base closures. Currently there are two Military Reuse Zones in Arizona—the former Williams Air Force Base, now known as Mesa Gateway Airport and the former U.S. Naval Air Facility in Goodyear, now known as Phoenix Goodyear Airport.

An applicant for the MRZ Program must be located within a military reuse zone to qualify for two types of benefits:

- ▶ Exemption from transaction privilege tax on contracts for certain types of construction within an MRZ.
- ▶ Both real and personal property can be reclassified from class one (17.5% assessment ratio) to class six (5% assessment ratio), which may result in property tax savings of up to 71.4% for a period of five years.

TABLE 9 – FISCAL YEAR 2024 PRE-APPROVED MILITARY REUSE ZONE INCENTIVE PROGRAM

FY 2024 APPLICANT (PRE-APPROVED)	PROJECTED CAPITAL INVESTMENT	INCENTIVES PRE-APPROVED BASED ON PROJECTIONS
United Airlines - Aviate	\$4,167,084	\$366,703
United Airlines - Aviate	\$378,045	\$33,268
Mesa Gateway Airport Authority	\$1,425,750	\$55,396
Mesa Gateway Airport Authority	\$11,589,348	\$576,468
TOTALS	\$17,560,227	\$1,031,835

TABLE 9 – FISCAL YEAR 2024 POST-APPROVED MILITARY REUSE ZONE INCENTIVE PROGRAM

FY 2024 APPLICANT (POST-APPROVED)	ACTUAL CAPITAL INVESTMENT MADE	INCENTIVES AWARDED BASED ON ACTUAL ACTIVITY
Mesa Gateway Airport Authority	\$1,206,707	\$46,885
Phoenix Goodyear Airport	\$4,070,536	\$153,221
Mesa Gateway Airport Authority	\$26,825,927	\$1,003,308
Mesa Gateway Airport Authority	\$15,756,070	\$612,184
Mesa Gateway Airport Authority	\$7,468,263	\$310,065
Mesa Gateway Airport Authority	\$26,779,659	\$1,040,492
TOTALS	\$82,107,162	\$3,166,155

TABLE 9 – MILITARY REUSE ZONE INCENTIVE PROGRAM • CUMULATIVE ACTIVITY (MESA GATEWAY AIRPORT)

POST-APPROVAL YEAR	ACTUAL NEW JOBS CREATED [1][2]	AVERAGE WAGE OF NEW JOBS CREATED [1][2]	ACTUAL CAPITAL INVESTMENT MADE [1]	CUMULATIVE INCENTIVES AWARDED BASED ON ACTUAL ACTIVITY
FY 2012	10	\$79,331	\$258,047	\$12,500
FY 2013	52	\$73,297	\$0	\$52,000
FY 2014	N/A	N/A	\$0	\$0
FY 2015	N/A	N/A	\$8,805,860	\$377,586
FY 2016	N/A	N/A	\$14,515,724	\$587,733
FY 2017	N/A	N/A	\$0	\$0
FY 2018	N/A	N/A	\$47,460,497	\$2,189,203
FY 2019	N/A	N/A	\$2,809,323	\$108,948
FY 2020	N/A	N/A	\$14,406,077	\$598,296
FY 2021	N/A	N/A	\$28,155,243	\$1,093,926
FY 2022	N/A	N/A	\$9,942,277	\$388,152
FY 2023	N/A	N/A	\$11,584,359	\$404,248
FY 2024	N/A	N/A	\$78,036,626	\$3,012,934
TOTALS/AVERAGE	62	\$74,270	\$215,974,032	\$8,825,526

TABLE 9 – MILITARY REUSE ZONE INCENTIVE PROGRAM • CUMULATIVE ACTIVITY (PHOENIX GOODYEAR AIRPORT)

POST-APPROVAL YEAR	ACTUAL NEW JOBS CREATED [1][2]	AVERAGE WAGE OF NEW JOBS CREATED [1][2]	ACTUAL CAPITAL INVESTMENT MADE [1]	CUMULATIVE INCENTIVES AWARDED BASED ON ACTUAL ACTIVITY
FY 2012	3	\$74,880	\$520	\$1,000
FY 2013	871	\$98,300	\$5,310,000	\$207,679
FY 2014	831	\$91,964	\$847,161	\$546,612
FY 2015	615	\$105,931	\$284,000	\$472,684
FY 2016	17	\$93,013	\$55,173	\$7,500
FY 2017	0	\$0	\$0	\$0
FY 2018	0	\$0	\$0	\$0
FY 2019	0	\$0	\$0	\$0
FY 2020	0	\$0	\$0	\$0
FY 2021	0	\$0	\$0	\$0
FY 2022	0	\$0	\$0	\$0
FY 2023	0	\$0	\$0	\$0
FY 2024	0	\$0	\$4,070,536	\$153,221
TOTALS/AVERAGE	2,337	\$97,987	\$10,567,390	\$1,388,696

[1] Represents the aggregate amounts that certified companies reported in their completion reports and annual reports to the ACA.

[2] The Income Tax Credit benefit was removed August 9, 2017 eliminating the need to report job creation.



Motion Picture Production Incentive Program

The Motion Picture Production Incentive Program provides a refundable income tax credit to qualified motion picture production companies that produce one or more motion pictures in Arizona. A motion picture production company is eligible for the tax credits upon completion of the motion picture production and certification under A.R.S. §41-1517 beginning calendar year 2023 through 2043. The Authority may not pre-approve tax credits exceeding \$75,000,000 in calendar year 2023, \$100,000,000 in calendar year 2024 and \$125,000,000 in calendar year 2025 and each year thereafter. Additionally, the Authority may not pre-approve tax credits exceeding \$25,000,000 of each calendar year cap for motion picture productions that do not use a qualified production facility in Arizona.

To qualify for tax credits, a motion picture production company must do either of the following:

- ▶ Use a qualified production facility in Arizona to produce the motion picture production OR
- ▶ If the motion picture production is filmed primarily at a practical location, produce and film the motion picture production primarily in Arizona and perform all preproduction, postproduction, and editing at an industry standard facility in Arizona, if such a facility for those functions is available.

The amount of the tax credit for a qualified motion picture production company is an amount equal to a percentage of the total amount of the qualified production costs as approved by the Authority, as follows:

- ▶ 15% tax credit for production costs up to \$10,000,000
- ▶ 17.5% tax credit for production costs more than \$10,000,000 but



- less than \$35,000,000
- ▶ 20% tax credit for production costs \$35,000,000 or higher
- ▶ An Additional 2.5% of the motion picture production company's production labor costs related to positions held by residents of Arizona as approved by the Authority.
- ▶ An Additional 2.5% of the motion picture production company's qualified production costs if the motion picture company either:
 - Uses a qualified production facility in Arizona to produce the motion picture production; OR
 - If the motion picture production is filmed primarily at a practical location, is produced and filmed primarily in Arizona and all preproduction, postproduction, and editing are performed at a qualified production facility in Arizona.
- ▶ An additional 2.5% of the motion picture production company's qualified production costs as approved by the Authority if the motion picture production is produced and filmed in association with a long-term tenant of a qualified production facility.

TABLE 10 – FISCAL YEAR 2024 PRE-APPROVED MOTION PICTURE PRODUCTION INCENTIVE PROGRAM

FY 2024 APPLICANT [1] (PRE-APPROVED)	PROJECTED CAPITAL INVESTMENT	INCENTIVES PRE-APPROVED BASED ON PROJECTIONS
TOTALS (13 APPLICANTS)	\$25,303,174	\$2,717,202

[1] This information is confidential pursuant to A.R.S.§41-1517(J)

TABLE 10 – FISCAL YEAR 2024 POST-APPROVED MOTION PICTURE PRODUCTION INCENTIVE PROGRAM

FY 2024 APPLICANT (POST-APPROVED) [1]	CAPITAL INVESTMENT MADE [1]	INCENTIVES AWARDED BASED ON ACTUAL ACTIVITY
TOTALS (1 APPLICANT)	[1]	\$110,000

[1] This information is confidential pursuant to A.R.S.§41-1517(J)

TABLE 10 – CUMULATIVE MOTION PICTURE PRODUCTION INCENTIVE PROGRAM ACTIVITY

POST-APPROVAL YEAR	ACTUAL CAPITAL INVESTMENT MADE	INCENTIVES AWARDED BASED ON ACTUAL ACTIVITY
FY 2023	\$0	\$0
FY 2024	[1]	\$110,000
TOTALS	\$0	\$110,000

[1] This information is confidential pursuant to A.R.S.§41-1517(J)

Qualified Facility Incentive Program

The Qualified Facility Incentive Program provides a refundable tax credit to eligible companies investing in qualifying facilities and creating jobs. The Qualified Facility tax credits are authorized on a first-come, first-served basis. The program has an annual cap of \$125 million.

In order to be eligible for the Qualified Facility tax credit, a company must:

- ▶ Make a Capital Investment to establish or expand a Qualified Facility that devotes at least 80% of the property and payroll to qualified manufacturing, manufacturing-related research and development, or any business headquarters.
- ▶ Have at least 65% of the project’s sales/revenues from outside of Arizona unless selling directly to another qualified facility in Arizona.
- ▶ Create net new full-time employment positions for the project, of which at least 51% must pay qualifying wages.
- ▶ Offer to pay at least 65% of the health insurance premiums for all net new full-time employment positions.

Subject to eligibility requirements, the Qualified Facility tax credit offers a refundable income tax credit equal to the lesser of:

- ▶ 10% of the qualifying capital investment or
- ▶ \$20,000 per net new job at the facility if the total qualifying investment is less than \$2,000,000,000, or \$30,000 per net new full-time employment position associated with the facility if the total qualifying investment is more than \$2,000,000,000, or
- ▶ \$30,000,000 per taxpayer per year.

TABLE 11 – FISCAL YEAR 2024 PRE-APPROVED QUALIFIED FACILITY INCENTIVE PROGRAM

FY 2024 APPLICANT (PRE-APPROVED)	PROJECTED NEW JOBS	AVERAGE WAGE OF PROJECTED NEW JOBS	PROJECTED CAPITAL INVESTMENT	INCENTIVES PRE-APPROVED BASED ON PROJECTIONS [2]
Applied Materials, Inc.	[1]	N/A	[1]	\$2,800,000
ASM America, Inc.	[1]	N/A	[1]	\$6,999,780
Avison Young	[1]	N/A	[1]	\$186,060
BatchService	[1]	N/A	[1]	\$340,000
Bubbies Homemade Ice Cream & Desserts, Inc.	[1]	N/A	[1]	\$640,000
CFO Services	[1]	N/A	[1]	\$700,000
Edwards Vacuum	[1]	N/A	[1]	\$7,000,000
Fender Musical Instruments Corporation	[1]	N/A	[1]	\$2,000,000

Table 11 – Fiscal Year 2024 Pre-Approved Qualified Facility Incentive Program continued on next page >

TABLE 11 – FISCAL YEAR 2024 PRE-APPROVED QUALIFIED FACILITY INCENTIVE PROGRAM (CONTINUED)

FY 2024 APPLICANT (PRE-APPROVED)	PROJECTED NEW JOBS	AVERAGE WAGE OF PROJECTED NEW JOBS	PROJECTED CAPITAL INVESTMENT	INCENTIVES PRE-APPROVED BASED ON PROJECTIONS [2]
HDA-SMC, Inc.	[1]	N/A	[1]	\$800,000
Heraeus Conamic	[1]	N/A	[1]	\$1,060,000
KP Aviation	[1]	N/A	[1]	\$460,000
L & H Industrial Inc - Tempe	[1]	N/A	[1]	\$220,000
Microchip Technology, Inc.	[1]	N/A	[1]	\$4,200,000
Northrop Grumman	[1]	N/A	[1]	\$12,120,000
Northrop Grumman	[1]	N/A	[1]	\$5,170,000
NUCOR	[1]	N/A	[1]	\$3,060,000
Olam Farming, Inc.	[1]	N/A	[1]	\$3,220,000
Panda Holdco, LLC	[1]	N/A	[1]	\$573,078
Parker Hannifin Corporation	[1]	N/A	[1]	\$550,000
Planatome, LLC	[1]	N/A	[1]	\$195,900
Republic Services	[1]	N/A	[1]	\$12,000,000
Setna iO	[1]	N/A	[1]	\$2,840,000
Superior Industries, LLC	[1]	N/A	[1]	\$850,000
The Procter & Gamble Manufacturing Company	[1]	N/A	[1]	\$3,000,000
United Foods International	[1]	N/A	[1]	\$920,000
VB Cosmetics	[1]	N/A	[1]	\$800,000
Viavi Solutions, Inc.	[1]	N/A	[1]	\$2,220,000
Vivid Impact	[1]	N/A	[1]	\$474,262.80
Yerecic Label, Inc.	[1]	N/A	[1]	\$400,000
Yield Engineering Systems	[1]	N/A	[1]	\$2,000,000
TOTALS/AVERAGE	4,235	N/A	\$1,150,553,472	\$77,799,081

[1] Confidential information pursuant to A.R.S. § 41-1512(U).

[2] Since the fiscal year spans two calendar years, fiscal year total incentives may exceed the calendar year cap.

TABLE 11 – FISCAL YEAR 2024 POST-APPROVED QUALIFIED FACILITY INCENTIVE PROGRAM

FY 2024 APPLICANT (POST-APPROVED)	ACTUAL NEW JOBS CREATED	AVERAGE WAGE OF NEW JOBS CREATED	ACTUAL CAPITAL INVESTMENT	INCENTIVES AWARDED BASED ON ACTUAL ACTIVITY
Ball Metal Beverage Container Corp.	[1]	[1]	[1]	\$4,720,000
Covetrus, Inc. and Subsidiaries	[1]	[1]	[1]	\$1,076,905
Dexcom	[1]	[1]	[1]	\$7,700,000
Edmund Industrial Optics, Inc.	[1]	[1]	[1]	\$250,000
FM Industries, Inc.	[1]	[1]	[1]	\$2,000,000
Healthcare Arizona, LLC	[1]	[1]	[1]	\$3,437,369
Hyundai-Transys Georgia Seating System, LLC	[1]	[1]	[1]	\$1,113,311
Intel Corporation	[1]	[1]	[1]	\$16,880,000
Intel Corporation	[1]	[1]	[1]	\$7,710,000
Lawrence Semiconductor Research Laboratory	[1]	[1]	[1]	\$311,590
Lucid Motors	[1]	[1]	[1]	\$29,840,000
Mercury Systems, Inc. (Phoenix)	[1]	[1]	[1]	\$2,607,021
Mitsubishi Chemical Advanced Materials, Inc.	[1]	[1]	[1]	\$600,000
Nikola Motor Company	[1]	[1]	[1]	\$3,740,000
NXP (FKA Freescale Semiconductor Inc.)	[1]	[1]	[1]	\$660,000
Parker Fasteners	[1]	[1]	[1]	\$700,000
TSMC North America	[1]	[1]	[1]	\$30,000,000
United Foods International	[1]	[1]	[1]	\$920,000
VB Cosmetics	[1]	[1]	[1]	\$608,679
TOTALS/AVERAGE	5,139	\$78,208	\$12,846,277,570	\$114,874,875

TABLE 11 – CUMULATIVE QUALIFIED FACILITY INCENTIVE PROGRAM ACTIVITY

POST-APPROVAL YEAR	ACTUAL NEW JOBS CREATED	AVERAGE WAGE OF NEW JOBS CREATED	CUMULATIVE ACTUAL CAPITAL INVESTMENT	INCENTIVES AWARDED BASED ON ACTUAL ACTIVITY
FY 2016	[1]	[1]	[1]	\$17,540,000
FY 2017	93	\$68,404	\$30,891,947	\$1,860,000
FY 2018	59	\$56,920	\$8,213,530	\$740,000
FY 2019	308	\$48,486	\$121,274,720	\$5,735,378
FY 2020	833	\$76,747	\$504,588,739	\$16,394,414
FY 2021	3,719	\$89,929	\$947,337,356	\$69,622,514
FY 2022	2,938	\$83,703	\$5,961,176,789	\$56,171,189
FY 2023	3,074	\$84,297	\$2,430,242,548	\$55,899,463
FY 2024	5,139	\$78,208	\$12,846,277,570	\$114,874,875
TOTALS/AVERAGE	[1]	[1]	[1]	\$338,837,833

[1] Confidential information pursuant to A.R.S. § 41-1512(U).



Quality Jobs Incentive Program

The Quality Jobs Incentive Program provides tax credits to employers creating a minimum number of net new quality jobs and making a minimum capital investment in Arizona. The program is capped at 10,000 jobs each calendar year. The Quality Jobs tax credit offers up to \$9,000 of Arizona income or premium tax credits spread over a three-year period for each net new quality job (\$3,000 per year). If the allowable tax credit exceeds the income or premium tax liability, any unused amount may be carried forward for up to five consecutive taxable years. Any company making the minimum capital investment in Arizona and creating the minimum net new quality jobs can apply. Eligibility qualifications are different for rural and urban areas.

For Urban Locations:

1. Taxpayer is required to invest at least \$5,000,000 in capital expenditures, and create at least 25 net new qualified employment positions that pay 100% of the county median wage, or;
2. Taxpayer is required to invest at least \$2,500,000 in capital expenditures, and create at least 25 net new qualified employment positions that pay 125% of the county median wage, or;
3. Taxpayer is required to invest at least \$1,000,000 in capital expenditures, and create at least 25 net new qualified employment positions that pay 150% of the county median wage, or;
4. Taxpayer is required to invest at least \$500,000 in capital expenditures, and create at least 25 net new qualified employment positions that pay 200% of the county median wage.

For Rural Locations:

1. Taxpayer is required to invest at least \$1,000,000 in capital expenditures, and create at least 5 net new qualified employment positions that pay 100% of the county median wage, or;
2. Taxpayer is required to invest at least \$500,000 in capital expenditures, and create at least 5 net new qualified employment positions that pay 125% of the county median wage, or;
3. Taxpayer is required to invest at least \$100,000 in capital expenditures, and create at least 5 net new qualified employment positions that pay 150% of the county median wage.

TABLE 12 – FISCAL YEAR 2024 PRE-APPROVED QUALITY JOBS INCENTIVE PROGRAM

FY 2024 APPLICANT (PRE-APPROVED)	PROJECTED NEW JOBS	AVERAGE WAGE OF PROJECTED NEW JOBS	PROJECTED CAPITAL INVESTMENT [1]	INCENTIVES PRE-APPROVED BASED ON PROJECTIONS
Republic National Distributing Company, LLC	95	\$69,777	\$1,000,000	\$855,000
Acadia Healthcare Company, Inc.	130	\$71,594	\$5,000,000	\$1,170,000
Bank of America Corporation	108	\$95,653	\$5,000,000	\$972,000
Bank of America Corporation	36	\$83,217	\$1,000,000	\$324,000
TOTALS/AVERAGE	369	\$79,302	\$12,000,000	\$3,321,000

[1] The projected capital investment shown is the minimum amount needed to qualify for the program. The actual capital investment may be higher and is confidential pursuant to A.R.S. § 41-1525(G).

TABLE 12 – FISCAL YEAR 2024 POST-APPROVED QUALITY JOBS INCENTIVE PROGRAM

FY 2024 APPLICANT (POST-APPROVED)	ACTUAL NEW JOBS CREATED	JOBS RETAINED [1]	AVERAGE WAGE OF NEW JOBS CREATED	MINIMUM CAPITAL INVESTMENT MADE [2]	INCENTIVES AWARDED BASED ON ACTUAL ACTIVITY
Chewy, Inc.	46	44	\$59,370	N/A	\$270,000
CarMax Auto Superstores, Inc.	47	186	\$49,552	N/A	\$699,000
Parker-Hannifin Corporation	64	51	\$55,984	N/A	\$345,000
Walgreen Arizona Drug Co.	9	28	\$65,142	N/A	\$111,000
Grand Canyon University	0	120	N/A	N/A	\$360,000
Shamrock Foods Company	192	0	\$65,258	\$5,000,000	\$576,000
Swire Pacific Holdings, Inc.	0	20	N/A	N/A	\$60,000
Speedway Motors, Inc.	0	8	N/A	N/A	\$24,000
Amazon Corporate, LLC	28	33	\$88,707	N/A	\$183,000
Amazon Corporate, LLC	166	28	\$40,669	N/A	\$582,000
ClearSky Rehabilitation Hospital of West Valley, LLC	31	0	\$72,745	\$5,000,000	\$93,000
Red Bull North America, Inc.	20	30	\$92,053	N/A	\$150,000
Grocery Delivery E-Services USA, Inc.	0	275	N/A	N/A	\$825,000
WillScot Mobile Mini Holdings Corp.	24	153	\$109,518	N/A	\$531,000
Meyer Distributing, Inc.	7	33	\$41,295	N/A	\$120,000
JS&S (Beverages), Inc.	0	14	N/A	N/A	\$42,000
SK Food Group, Inc.	0	15	N/A	N/A	\$45,000
Align Technology, Inc.	0	13	N/A	N/A	\$39,000
Upgrade, Inc.	29	182	\$64,416	N/A	\$633,000
Bank of America Corporation	35	0	\$83,480	\$1,000,000	\$105,000
Bank of America Corporation	108	0	\$95,653	\$2,500,000	\$324,000
Gold Bond Building Products, LLC	7	0	\$54,998	\$1,000,000	\$21,000
Power Home Remodeling Group, LLC	29	24	\$55,060	N/A	\$159,000
Nationstar Mortgage, LLC	0	16	N/A	N/A	\$48,000
Dot Foods, Inc.	6	49	\$39,817	N/A	\$165,000
Think, LLP	0	7	N/A	N/A	\$21,000
TOTALS/AVERAGE	848	1,329	\$65,269	\$14,500,000	\$6,531,000

[1] The program allocates tax credits of \$3,000 per added or retained position per year for three years. The jobs retained represents jobs created under this program in a prior year with 2nd or 3rd year credits allocated in the current year.

[2] The projected capital investment shown is the minimum amount needed to qualify for the program. The actual capital investment may be higher and is confidential pursuant to A.R.S. § 41-1525(G). "N/A" is listed for applicants that met their minimum eligibility requirements in a prior year.



TABLE 12 – CUMULATIVE QUALITY JOBS INCENTIVE PROGRAM ACTIVITY

POST-APPROVAL YEAR	ACTUAL JOBS CREATED	AVERAGE WAGE OF NEW JOBS CREATED	ACTUAL CAPITAL INVESTMENT MADE	INCENTIVES AWARDED BASED ON ACTUAL ACTIVITY [1]
FY 2012	348	\$117,827	\$2,436,367,936	\$1,044,000
FY 2013	1,028	\$50,400	\$1,694,142,119	\$4,113,000
FY 2014	1,041	\$53,316	\$102,392,468	\$6,339,000
FY 2015	2,221	\$54,125	\$348,087,494	\$9,102,000
FY 2016	1,785	\$61,751	\$515,460,180	\$12,972,000
FY 2017	3,047	\$56,349	\$353,913,347	\$18,603,000
FY 2018	3,694	\$59,957	\$453,220,435	\$22,671,000
FY 2019	3,014	\$68,793	\$285,389,632	\$24,177,000
FY 2020	3,994	\$67,955	\$285,555,262	\$27,039,000
FY 2021	2,793	\$66,287	\$202,788,129	\$25,077,000
FY 2022	1,003	\$69,102	\$358,072,261	\$18,852,000
FY 2023	1,642	\$72,907	\$308,501,208	\$12,264,000
FY 2024	848	\$65,269	\$233,208,693	\$6,531,000
TOTALS/AVERAGE	26,458	\$63,504	\$7,577,099,164	\$188,784,000

[1] Amount post-approved represents non-refundable income tax credits authorized by the ACA for qualified net new job creation and capital investment; credit recipients may carry forward tax credits for up to five years.

Research And Development Incentive Program

The The Research and Development (R&D) Incentive Program provides an Arizona income tax credit for increased research and development activities conducted in this state, including research conducted at a state university and funded by an applicant company.

The current R&D tax credit applies to both corporations and individuals and is equal to 24% of the first \$2.5 million in qualifying expenses plus 15% of the qualifying expenses in excess of \$2.5 million. A company that is otherwise qualified for the R&D tax credit who employs less than 150 full-time employees can apply to the ACA for a partial refund of up to 75% of the current year's tax credit minus the current year's tax liability.

Beginning in calendar year 2019, the maximum refund amount per taxpayer is \$100,000 in a single tax year. The total amount of refundable tax credits that may be awarded in any calendar year is \$5 million; therefore, tax credits reported may be awarded in any fiscal year may be more or less than the \$5 million limit.

An additional tax credit amount is allowed if the taxpayer made basic research payments during the tax year to a university under the jurisdiction of the Arizona Board of Regents. The additional credit amount is equal to 10% of the basic research payments that constitute excess expenses for the tax year over the base amount.

TABLE 13 – FISCAL YEAR 2024 POST-APPROVED RESEARCH AND DEVELOPMENT INCENTIVE PROGRAM [1]

FY 2024 APPLICANTS (POST-APPROVAL)	ACTUAL CAPITAL INVESTMENT	INCENTIVES AWARDED BASED ON ACTUAL ACTIVITY
Advent Diamond, Inc.	\$766,564	\$68,954
All Things Metal, LLC	\$638,351	\$38,219
AMB Wellness Partners, LLC	\$210,570	\$18,951
Apre Instruments, LLC	\$1,149,508	\$100,000
ASEI Engineering, Inc.	\$713,923	\$51,256
Aspect Solutions, Inc.	\$100,000	\$8,963
Atomera, Inc.	\$1,175,191	\$100,000
Bakkum Noelke Consulting Structural Engineers, Inc.	\$548,932	\$49,367
Boomtown Network, Inc.	\$1,163,420	\$100,000
CCBG Architects, Inc.	\$3,105,946	\$100,000
CellTrust Corporation	\$1,371,786	\$100,000
CivTech, Inc.	\$651,728	\$25,888
CLV, Inc.	\$6,551,355	\$100,000

Table 13 - Fiscal Year 2024 Post-Approved Research And Development Incentive Program continued on next page >

TABLE 13 – FISCAL YEAR 2024 POST-APPROVED RESEARCH AND DEVELOPMENT INCENTIVE PROGRAM [1] (CONTINUED)

FY 2024 APPLICANTS (POST-APPROVAL)	ACTUAL CAPITAL INVESTMENT	INCENTIVES AWARDED BASED ON ACTUAL ACTIVITY
Codelucida, Inc.	\$151,618	\$13,608
Cogent 3D, Inc.	\$1,527,096	\$100,000
Datasoft Corp	\$703,132	\$63,244
DDC-I, Inc.	\$480,991	\$43,252
Dealerpeak, Inc.	\$124,548	\$11,172
Design Works Studios, LLC	\$2,489,458	\$100,000
Digitile, Inc.	\$353,585	\$31,785
Dovly, Inc.	\$768,573	\$69,134
DPA, Inc.	\$1,330,756	\$100,000
Engineering Wireless Services, LLC	\$533,866	\$18,911
F & N Enterprises, Inc.	\$516,758	\$46,471
Featured (Old Terkel)	\$388,790	\$34,954
Forced Physics Data Center Technology, LLC	\$559,679	\$50,357
Foresight Finishing, LLC	\$743,991	\$40,147
FreeFall Aerospace, Inc.	\$1,007,272	\$90,617
Fullbay, Inc.	\$2,454,809	\$100,000
G2 Services, LLC	\$61,938	\$5,575
Genius Companies, LLC	\$2,786,932	\$100,000
Global Air Cylinder Wheels, Inc.	\$679,721	\$61,137
GT Medical Technologies, Inc.	\$1,401,068	\$100,000
Hamilton Innovations, LLC	\$724,542	\$65,208
Harris-Precision Mold & Manufacturing, Inc.	\$2,249,189	\$100,000
Heliae Technology Holdings, Inc.	\$1,805,947	\$100,000
Integrated Technology Corporation	\$1,559,063	\$100,000
Intellimed International Corporation	\$973,299	\$87,560
InterOptics, LLC	\$345,295	\$31,077
JMC Engineering, PLLC	\$381,776	\$34,360
KeepWOL, Inc.	\$53,167	\$4,748
LeaseHawk, LLC	\$1,760,092	\$100,000
Lunasonde, Inc.	\$1,170,286	\$100,000
Marcus Engineering, LLC	\$1,177,348	\$100,000

Table 13 - Fiscal Year 2024 Post-Approved Research And Development Incentive Program continued on next page >

TABLE 13 – FISCAL YEAR 2024 POST-APPROVED RESEARCH AND DEVELOPMENT INCENTIVE PROGRAM [1] (CONTINUED)

FY 2024 APPLICANTS (POST-APPROVAL)	ACTUAL CAPITAL INVESTMENT	INCENTIVES AWARDED BASED ON ACTUAL ACTIVITY
Morozko Forge, LLC	\$785,006	\$70,651
My Computer Works, Inc.	\$104,070	\$5,610
Nasus Medical, Inc.	\$48,562	\$17,027
NP Photonics, Inc.	\$1,888,929	\$100,000
nQueue Zebraworks, Inc.	\$960,316	\$86,391
Nu Planet Pharmaceutical Radioisotopes, Inc.	\$207,791	\$15,547
NuvOx Pharma, LLC	\$922,045	\$100,000
Phantom Space Corporation	\$2,181,292	\$100,000
Planatome, LLC	\$501,382	\$45,124
Point Engineers, LLC	\$1,081,342	\$97,321
PureTech Systems, Inc.	\$340,643	\$30,620
Radiance Therapeutics, Inc.	\$610,735	\$54,929
Regenesis Biomedical, Inc.	\$1,984,097	\$100,000
RevolutionParts, Inc.	\$2,351,708	\$100,000
Ron Turley Associates, Inc.	\$1,890,108	\$100,000
Sandhill Holdings, LLC	\$3,045,078	\$100,000
Sibi, LLC	\$2,326,159	\$100,000
Signing Day Sports, LLC	\$722,737	\$65,009
SmarterTools, Inc.	\$1,774,963	\$100,000
Solera Health, Inc.	\$1,558,212	\$100,000
Solid State Networks, LLC	\$776,721	\$69,904
SpektreWorks, Inc.	\$1,148,483	\$100,000
SPOC Proteomics, Inc.	\$449,397	\$40,408
STHealth, LLC	\$3,850,996	\$97,110
Swift Coat, Inc.	\$606,677	\$54,563
Trainual, Inc.	\$1,621,677	\$100,000
Wealth, Inc	\$943,442	\$84,872
World View Enterprises, Inc.	\$2,850,636	\$100,000
TOTALS [2]	\$86,945,063	\$5,000,001

[1] There is no “Pre-approval” process for the Research and Development Incentive Program. Only “Post-approval” results are shown.

[2] The total amount awarded is more than the \$5 million calendar year cap set forth in A.R.S. §41-1507(E). The additional \$1.00 rolled over from the Calendar Year 2023 Cap.



TABLE 13 – CUMULATIVE RESEARCH AND DEVELOPMENT INCENTIVE PROGRAM

APPLICANT POST APPROVAL YEAR	CUMULATIVE CAPITAL INVESTMENT	CUMULATIVE INCENTIVES AWARDED BASED ON ACTUAL ACTIVITY
FY 2012	\$61,692,391	\$5,000,000
FY 2013	\$61,965,382	\$5,000,000
FY 2014	\$58,942,155	\$5,000,000
FY 2015	\$60,852,349	\$5,000,000
FY 2016	\$61,692,352	\$5,000,000
FY 2017	\$58,264,067	\$5,000,000
FY 2018	\$60,825,583	\$5,000,000
FY 2019	\$85,244,315	\$4,980,283
FY 2020	\$87,526,191	\$5,019,717
FY 2021	\$76,667,613	\$4,999,997
FY 2022	\$70,107,070	\$5,000,003
FY 2023	\$87,178,103	\$4,999,999
FY 2024	\$86,945,063	\$5,000,001
TOTALS	\$917,902,634	\$65,000,000

TABLE 13 – FISCAL YEAR 2024 POST APPROVED UNIVERSITY RESEARCH AND DEVELOPMENT INCENTIVE PROGRAM [1]

FY 2024 APPLICANTS (POST-APPROVAL)	ACTUAL CAPITAL INVESTMENT	INCENTIVES AWARDED IN YEAR BASED ON ACTUAL ACTIVITY
No activity	\$0	\$0
TOTALS	\$0	\$0

[1] There is no “Pre-approval” process for the University Research and Development Incentive Program. Only “Post-approval” results are shown.

TABLE 13 – CUMULATIVE UNIVERSITY RESEARCH AND DEVELOPMENT INCENTIVE PROGRAM

APPLICANT POST APPROVAL YEAR	CUMULATIVE CAPITAL INVESTMENT	INCENTIVES AWARDED BASED ON ACTUAL ACTIVITY
FY 2016	\$25,041	\$2,339
FY 2017	\$150,500	\$11,288
FY 2018	\$15,655	\$377
FY 2019	\$0	\$0
FY 2020	\$0	\$0
FY 2021	\$0	\$0
FY 2022	\$472,377	\$17,138
FY 2023	\$0	\$0
FY 2024	\$0	\$0
TOTALS	\$663,573	\$31,142



Water Infrastructure and Commerce Grant Fund

Pursuant to A.R.S. § 41-1510, the Arizona Commerce Authority (ACA) administers the Water Infrastructure and Commerce Grant Fund (WICG). In accordance with A.R.C. § 41-1510, grants from the WICG may be awarded to eligible entities contracting for the design and construction of new water infrastructure at an eligible entity’s location in the state of Arizona. Entities eligible to apply are:

- (i) a public service corporation that provides water service pursuant to a certificate of convenience and necessity issued by the corporation commission and is acting on behalf of an employer described in (ii);
- (ii) an employer with more than two hundred fifty employees that is located in a county with a population of more than four hundred thousand persons and less than one million persons.

TABLE 14 – WATER INFRASTRUCTURE AND COMMERCE GRANT FUND • FISCAL YEAR 2024 APPROVED GRANTS

FY 2024 GRANT APPLICANTS	PROJECTED NEW JOBS	ACTUAL NEW JOBS [1]	GRANT AMOUNT
Lucid Motors	400	N/A	\$15,000,000
Lucid Motors	200	N/A	\$7,000,000
FY 2024 TOTAL	600	N/A	\$22,000,000

[1] Actual new job data not available at the time of report compilation.



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