

ARIZONA COMMERCE AUTHORITY BOARD OF DIRECTORS

PUBLIC MEETING MINUTES

Wednesday, September 18, 2024, at 1:00 P.M.

Arizona Commerce Authority

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

I. Call to Order and Roll Call

Governor Hobbs, Chair, called the September 18, 2024, meeting of the Arizona Commerce Authority Board of Directors to order at 1:03 p.m. The meeting was noticed and properly posted. Governor Hobbs requested Melissa Mills to take the role. A Quorum of voting members confirmed present.

Board Members Present:

Governor Katie Hobbs

Sandra Watson

Mara Aspinall

Co-Chair Michael Bidwill

Jenn Daniels (virtual)

Sharon Harper

Dr. Stacy Klippenstein (virtual)

Mark Gaspers (virtual)

Simer Mayo

Danny Seiden

Cathleen Walker

Phil Gallagher

Pam Kehaly

Speaker Ben Toma

Sherry Martin (virtual)

Mayor Kevin Hartke

Board Members Not Present:

Wick Pilcher

Tony Astorga

Dr. Robert Robbins

Dr. Michael Crow

Dr. José Luis Cruz Rivera

Monica Garnes

Jack Selby

President Warren Petersen

Girish Rishi

Supervisor Steve Miller

Wes Kremer

Dr. Richard Gray

Clate Mask

Chad Sampson

II. Welcome Remarks from Chair, Governor Katie Hobbs

Governor Hobbs began by requesting a moment of silence to honor fallen Phoenix Police Officer Zane Coolidge.

Following the moment of silence, Governor Hobbs recognized departing board members – Yuma Mayor Doug Nicholls and John Arnold. She thanked both for their service to the ACA.

Next, the Governor welcomed new members – Chandler Mayor Kevin Hartke and Chad Sampson.

The Governor discussed the bipartisan Fiscal Year 2025 budget, which she signed in June and made investments in areas such as health care, border security, housing affordability, and child safety. She discussed how the budget right-sized a two-billion-dollar budget deficit. She specifically thanked Speaker Toma for his partnership.

She highlighted the significant legislation she signed to continue the ACA through 2029, thanking board members for their engagement and leadership. She specially thanked Danny Seiden for the Arizona Chamber's advocacy.

The Governor next spoke about Arizona's recent credit upgrade from S&P, calling it the first such upgrade in years. She thanked Sandra Watson for her leadership.

Governor Hobbs updated on various new programs to support workers and small businesses, including Intel's first registered apprenticeship program for semiconductor technicians, the Arizona Microbusiness Loan Program, and Talent Ready AZ.

III. Welcome Remarks from Co-Chair, Michael Bidwill

Board Co-Chair Michael Bidwill talked about the ACA's reauthorization, including thanking the Governor, Speaker Toma, and Danny Seiden.

He spoke about Arizona's growth and momentum, highlighting that year's ago, a one-billion-dollar project would be a dream, now they are happening left and right.

He talked about how Arizona has gotten smarter about these projects, including thinking about air and power.

IV. Consent Agenda

Governor Hobbs called for a motion to approve the consent agenda and minutes from the June 5, 2024, meeting.

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

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

Sandra Watson recognized and thanked the incoming and outgoing members.

Speaking about the ACA's reauthorization, she thanked Governor Hobbs, Michael Bidwill, all board members, and Speaker Toma. She also thanked Danny Seiden and the Arizona Chamber for making the ACA their top priority during the legislative session.

Sandra gave an update about the record results from fiscal year 2024, which included winning 107 projects representing more than 24,200 projected new jobs, featuring an average wage of nearly \$76,000, and more than \$50 billion in investment.

Sandra highlighted the nearly 30 communities across the state, including many in rural Arizona, that saw expansions in FY2024.

Sandra updated on the FY2025 year-to-date results, noting that since July 1, the team had won 14 projects representing 4,350 jobs, with an average wage exceeding \$104,000, and more than \$2.1 billion in capital investment.

Sandra then recognized nine companies and their leaders that had recently selected Arizona for expansions. The companies included:

- Allo Fiber
- CC Patio
- Green Bay Packaging
- KoMiCo
- Magna
- Pilgrim Aerospace
- Recurrent Energy
- Setnix
- And Unical Aviation

VI. Pipeline Update, Ryan Ruiz

Next, EVP of Business Development, Ryan Ruiz, provided a pipeline update.

Since the last meeting, the business development team added 118 new projects, including 27 new projects that are evaluating sites in rural Arizona communities, expanding our total pipeline to a historic total of 453 projects. Collectively, the projects represent nearly 132,000 jobs and over \$174 billion in capital investment.

Manufacturing remained the predominant project type, accounting for 306 projects and roughly 85% of the job potential. The leading sectors in the pipeline were aerospace & defense with 68 projects, battery 54 projects, and semiconductor 51 projects.

Geographically, the largest sources of projects were international locations and California, together constituting approximately 50% of both project numbers and job potential. International projects, totaling 128, reached an all-time high, contributing over 35,000 jobs and \$123 billion in capital investment.

He mentioned that the ACA oversees 49 mega projects in the pipeline, representing over 73,000 jobs and \$150 billion in potential investment.

Lastly, Sandra Watson updated on Arizona's international business development efforts, including speaking at SEMICON West 2024, conducting a recent delegation trip to Taiwan, and planning an upcoming trade mission to the Netherlands and Belgium.

VII. Executive Session

Governor Hobbs called a motion to move to executive session. Michael Bidwill made the motion; Sharon Harper seconded the motion. Governor Hobbs called the Executive Session to order at 1:32 p.m.

VIII. Call to Board Members for Future Agenda Items

Governor Hobbs called the public session back to order at 2:31 p.m. The governor called for any future agenda items.

IX. Adjournment

Governor Hobbs, Chair, called for motion to adjourn. Simer Mayo made a motion. Mara Aspinall seconded the motion. All board members in favor. The meeting was adjourned at 2:32 p.m.