

**ARIZONA COMMERCE AUTHORITY BOARD OF DIRECTORS  
PUBLIC MEETING MINUTES**

Wednesday May 18, 2022 at 1:00 P.M.

Arizona Commerce Authority

100 N. 7<sup>th</sup> Avenue, Suite 100, Phoenix, AZ 85007

**I. Call to Order and Roll Call**

Governor Ducey, Chair, called the May 18, 2022 meeting of the Arizona Commerce Authority Board of Directors to order at 1:07 p.m. and welcomed attendees and the public. The meeting was noticed and properly posted. Governor Ducey requested Melissa Mills call the role. Quorum of voting members confirmed present.

**Board Members Present:**

Governor Doug Ducey  
Sandra Watson  
Michael Bidwill  
Tony Astorga  
Supervisor Jean Bishop (virtual)  
Jenn Daniels  
Phil Gallagher  
Dr. Richard Gray  
Duff Hearon  
Sharon Harper  
Quinn Palomino (virtual)  
Mark Gaspers (virtual)

Pam Kehaly  
Simer Mayo  
Girish Rishi  
Danny Seiden  
Jack Selby  
John Arnold  
Monica Garnes  
Cathleen Walker  
Dr. Jose Luis Cruz Rivera (virtual)  
Chancellor Lee Lambert (virtual)

**Board Members Not Present:**

Speaker Rusty Bowers  
Dr. Michael Crow  
President Karen Fann  
Wes Kremer

Wick Pilcher  
Mayor Cathy Carlat  
Dr. Robert Robbins

**II. Welcome Remarks from Chair – Governor Doug Ducey**

Governor Ducey welcomed all members to the meeting, noted last few months have been productive. Welcomed Cathleen Walker, PNC Bank and Monica Garnes, Fry's Foods. Economic momentum has picked up steam since the last quarter, announced LG Energy project will locate battery plant in Queen Creek. Size and scope of new projects coming to Arizona is impressive. LG Energy is \$1.4b investment and will bring high wage



jobs to Arizona. Yesterday, Canada based Li-Cycle opened plant in Gilbert, third of its kind in N. America. Joined leaders from Nikola a few weeks ago to celebrate high-volume production of semi-truck. This growth is fueled by Arizona's advantages and value proposition. People are coming to Arizona for great business environment and quality of life. Covered SR 189 project. Past year invested \$168m in developing broadband. The state and the economy are better positioned than at any time in the state's history. Unemployment is 3.3%, lowest since 1976, have nearly 87,000 fewer unemployed Arizonans since I took office, poverty has dropped by 190k people, once of the fastest rate in the nation. Double rate of GDP growth over previous six years. Was just in Washington DC to discuss border issues and infrastructure development. Arizona has a reputation as country's laboratory of good ideas. Last week Arizona received #1 ranking for charter schools. Innovation and choice w/ in public school system expands opportunities for students. Moved into the top 4 on Chief Executive Best States for Business rankings. Remain focused on eliminating unnecessary or burdensome regulations that don't protect public health or public safety. As of March, Arizona state workforce has decreased by 4.6 percent – have added child safety and public safety workers but trimmed bureaucracy. \$7m in reduced office space savings. Five months into 2022 we're off to a fast start and the best is yet to come. Will continue working with legislators to wrap up this year's session which is ongoing.

Governor thanked all members again for their leadership and contributions and called for consent agenda approval before turning meeting over to Sandra.

### **III. Consent Agenda\***

#### **a) Approval of February 24, 2022 Board Meeting Minutes**

Governor Ducey asked for a motion to approve the February 24, 2022 meeting minutes as written. Michael Bidwill made a motion, Simer Mayo seconded the motion. All board members in favor. Minutes approved as written.

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

Sandra Watson thanked Governor Ducey and leadership team at ACA for maximizing all opportunities.

YTD results: 67 projects, 24,564 projected new jobs, \$61,284 average wage, \$9.7b. Very successful year with still another month and a half to go. We've exceeded all goals. Business plan goal for this year was 16k jobs. 55% of projects won to date are manufacturing, important for economic diversification. Manufacturing also accounts for 70% of capex and 50% of jobs. Consumer products and services including automotive and food & beverage. Significant growth in tech and innovation as well at 29% of wins – semiconductor, renewable energy, battery. 11% in A&D. Remaining projects in business & financial services and bioscience & healthcare. Geographic diversification is important. We're also continuing to see many HQ projects, both national and regional, from California, New Mexico, Canada, Massachusetts. California accounted for 11k new jobs, international projects also remain strong. Showed representation of some won projects on logo slide. Covered Arizona's recent wins in automotive and battery: Nikola, Li-Cycle,



LG Energy Solutions, Atlys Motors. Arizona is at the center of these industries, enabling them to grow.

Vic Narusis, EVP, Business Development presented current pipeline: 256 opportunities, representing 109,113 jobs, \$120b capex, \$65,383 avg wage. Semiconductor 20k jobs, battery 10k jobs. 25% of jobs are in automotive. Arizona is currently being considered for 26 HQ projects. Pipeline also includes 13 R&D projects at \$6b capital investment. 6 data center projects at \$5.6b. Nearly 20% of pipeline projects come from California. International market at 20% of pipeline projects. Noted under Governor's leadership, Arizona has received global press recognition. Covered FDI wins, listed company names. Total exports from Arizona companies climbed by 20% in 2021, reached \$24.1b. Arizona saw some big ranking improvements over past several weeks. Covered improvements since 2015. Vic thanked Governor, Sandra, and BOD members.

Brett Galley, Director of Legislative Affairs, presented legislative update. ACA has worked with Governor's office, elected officials. HB2822, personal property taxes. SB1093, reducing class 1 business property assessment ratio. Contributing to premier business environment, make Arizona significantly more competitive in global market. Thanked Danny Seiden and his team at the Arizona Chamber.

Sandra echoed thanks to Danny and Arizona Chamber team in support on legislative efforts. Noted that 2022 has been a game changing year in manufacturing growth. Thanked Governor for signing bills. Simer: asked question on news coverage of flat tax implementation.

Governor noted that recent legislative accomplishments significantly enhance attractiveness. Noted Arizona has put more money into K12 education than any other state in the nation and is making significant investments in infrastructure.

Concludes update and hands meeting back to the Governor.

Governor thanks Sandra for leadership, praises success of the ACA.

## **V. Executive Session**

Governor Ducey, Chair, called for motion to enter into Executive Session. Michael Bidwill made motion, Sharon Harper seconded. All board members in favor. The board entered into Executive Session at 1:34 p.m.

- a) Client Updates**
- b) Business Development Strategies**

## **VI. Adjournment**

Governor Ducey called for motion to adjourn. Michael Bidwill made motion, Dr. Rick Gray seconded. All board members in favor. The meeting was adjourned at 2:16 pm.

