



ASA HUTCHINSON | Governor MICHAEL PRESTON | Executive Director

September 9, 2019

Senator Bruce Maloch, Co- Chair
Representative DeAnn Vaught, Co-Chair
Performance Evaluation and Expenditure Review Committee
Arkansas Legislative Council
State Capitol Building
Little Rock, AR 72201

Dear Senator Maloch and Representative Vaught:

Attached is the annual report of the Economic Development Incentive Quick Action Closing Fund (QACF) for Fiscal Year 2019. The Quick Action Closing Fund is an important tool for Arkansas and the Arkansas Economic Development Commission (AEDC). Since 2007, AEDC has worked 91 job creation and/or retention projects that have received monies from the QACF. These 91 project have created and retain 23,489 jobs.

If there are any questions, or if we can be of any assistance, please feel free to contact me.

Sincerely,

Michael Preston
Executive Director

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Enclosure



GOVERNOR'S QUICK ACTION CLOSING FUND ANNUAL REPORT

FISCAL YEAR 2019





The Governor's Quick Action Closing Fund (QACF) is a vital tool for Arkansas. The QACF allows the Governor to act quickly and decisively in highly competitive recruitment situations to finalize an agreement with a company to locate its project in Arkansas. The support from Governor Hutchinson and the General Assembly to continue to fund this appropriation on an annual basis has assisted the Arkansas Economic Development Commission to win highly competitive projects, improve the state's per capita personal income and reduce unemployment to record lows.

Since 2007, the QACF has assisted companies to propose 91 job creation and/or retention projects in Arkansas. These projects have resulted in the creation and retention of 28,778 jobs at an average hourly wage of \$20.92. The projected cumulative investment of these projects has been \$3.0193 billion. As of June 30, 2019, these 91 projects have created and retained 23,489 jobs.

Expenditures and Commitments of the Governor's Quick Action Closing Fund

Expenditures prior to FY19	\$123,782,897
FY19 expenditures	3,357,526.25
Committed funds	31,813,742.23
Projects offered but not yet accepted	27,882,850
Remaining QACF balance	31,259,331.79
<u>Clawbacks/loan repayments</u>	<u>(2,365,221.27)</u>
TOTAL	\$215,731,126

Expenditures for Fiscal Period July 1, 2018 – June 30, 2019

Company Name	Location	Date	Purpose	Amount
GND 3 Movie Production, LLC	Little Rock	8/20/2018	Film Production	\$700,000.00
GND 3 Movie Production, LLC	Little Rock	11/14/2018	Film Production	\$323,191.77
Sub total				\$1,023,191.77
TrinityRail Maintenance Services, Inc.	Jonesboro	12/21/2018	Infrastructure	\$1,000,000.00
Pinnacle Foods Group LLC	Fayetteville	5/6/2019	Infrastructure	\$198,492.20
Pinnacle Foods Group LLC	Fayetteville	6/3/2019	Infrastructure	\$1,507.80
Sub total				\$200,000.00
Sig Sauer, Inc.	Jacksonville	3/15/2019	Building Improvements	\$800,000.00
My Robot	NW Arkansas	4/17/2019	Film Production	\$84,334.48
Ayrshire Electronics of Arkansas, LLC	Fayetteville	1/2/2019	Mechanical Improvements	\$250,000.00
Total				\$3,357,526.25