

July 15, 2016

Senator Bill Sample, Chair
Representative David L. Branscum, Chair
Arkansas Legislative Council
Room 315, State Capitol
Little Rock, AR 72201

Dear Senator Sample and Representative Branscum:

Attached is the annual report of the Economic Development Incentive Quick Action Closing Fund for Fiscal Year 2016. Below are the expenditures and commitments of the Fund:

Expenditures prior to FY16	\$99,197,484
FY16 Expenditures	11,359,065
Committed funds	13,447,451
Projects offered but not yet accepted	<u>32,248,000</u>
TOTAL	\$156,252,000

Act 510 of 2007 stipulates that the annual report will contain the following:

1. The names and addresses of the businesses receiving money from the fund. (See Attachment)
2. The date, amount, and purpose of the disbursements of money from the fund. (See Attachment)
3. An evaluation of the effectiveness of the disbursements made from the fund.
4. Any suggestions for improving the use of the fund.

This fund allows the Governor to act quickly and decisively in highly competitive situations to finalize an agreement with an employer to locate its business in Arkansas.

The companies proposing 73 job creation and/or retention projects that have received monies from the fund project the creation and retention of 23,082 jobs at an average hourly wage of \$19.64. The projected cumulative investment of these projects was \$3.002 billion. As of June 30, 2016, these 73 projects have created and retained 18,235 jobs.

The Quick Action Closing Fund is a vital tool for our State. Continuing to fund this appropriation on an annual basis, as well as increasing its amount, will allow for greater success in bringing quality companies with quality jobs that will help increase Arkansans' per capita personal income and broaden our tax base.

Sincerely,



Michael Preston
Executive Director

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Enclosure

Economic Development Incentive Quick Action Fund (Governor's Quick Action Closing Fund) Information
Annual Report of Expenditures for Fiscal Period July 1, 2015 - June 30, 2016

Company Name	Location	Date	Purpose	Amount
Nanomech, Inc.	Springdale	7/7/2015	Equipment Reimbursement	\$ 56,051
		8/20/2015		132,490
		10/7/2015		26,227
			<i>Subtotal</i>	<u>214,768</u>
Dassault Falcon Jet Corp.	Little Rock	7/16/2015	Data Analysis Software	1,169,519
		2/24/2016		330,481
			<i>Subtotal</i>	<u>1,500,000</u>
Ecotech Consumer Products, LLC	Springdale	8/31/2015	Equipment Reimbursement	500,000
GND2 Movie Production LLC	State-Wide	9/8/2015	Movie Production	770,000
Big Cloud Analytics	Conway	9/22/2015	Website Redesign	13,859
Motion Picture Industry Development Acct	Fayetteville	10/22/2015	Greater Productions, LLC	60,219
		11/19/2015	All the Birds, LLC	75,360
			<i>Subtotal</i>	<u>135,579</u>
Saint Jean Industries	Heber Springs	11/3/2015	Equipment Reimbursement	200,000
Metova, Inc.	Cabot	11/5/2015	Renovations	3,971
		5/19/2016		10,441
			<i>Subtotal</i>	<u>14,412</u>
Furniture Factory Outlet	Fort Smith	11/18/2015	Headquarters Relocation	120,000
		12/6/2015		40,000
		12/29/2015		40,000
			<i>Subtotal</i>	<u>200,000</u>
Martial Arts Services	Little Rock	12/29/2015	Construction	950,000
Sediver USA	West Memphis	5/31/2016	Land Purchase	340,000
Glatfelter Advanced Materials	Fort Smith	3/23/2016	Facility Purchase	2,000,000
Remington Arms Company, Inc.	Lonoke	4/18/2016	Equipment Reimbursement	30,050
		6/21/2016		38,397
			<i>Subtotal</i>	<u>68,447</u>
Aerojet Rocketdyne, Inc.	Camden	6/16/2016	Construction	250,000
Big River Steel	Osceola	6/29/2016	Training	4,202,000
TOTAL EXPENDITURES				\$ 11,359,065