

Minutes
of the
Regular Meeting of Board of Directors of
The Industrial Development Authority of the County of Maricopa
(the "Authority")

Date: April 14, 2020, 9:30 a.m.

Place: Law Offices of Ryley Carlock & Applewhite
One North Central Avenue, Suite 1200
Phoenix, Arizona 85004

Presiding: Ronald L. Westad

Present: Ronald L. Westad, Rebecca Burnham, Maria Spelleri, Andrew M. Cohn, Steve Bales, Lisa A. James, Ronald J. Castro, Jr. and Jim Rounds (all Board Members appeared telephonically)

Absent: Jeremey Stawiecki

Executive Director: Shelby L. Scharbach

Administrators: Janis L. Larson and Kathleen Jakubowicz

Business Development Officer: Gregg Ghelfi (telephonically)

Attorney: William F. Wilder and John J. Fries of Ryley Carlock & Applewhite

Mr. Westad called the Regular Meeting of the Board of Directors of the Authority to order at 9:31 a.m., noting the presence of a quorum.

1. APPROVAL OF MINUTES OF THE REGULAR MEETING OF THE BOARD HELD ON JANUARY 14, 2020, AND THE SPECIAL MEETING HELD ON JANUARY 21, 2020.

On motion made by Ms. James and seconded by Ms. Burnham, the minutes of the January 14, 2020 Regular Meeting and the January 21, 2020 Special Meeting were approved as submitted.

The motion passed unanimously by a vote of (8-0).

2. **DISCUSSION AND ACTION AS DETERMINED REGARDING THE ADOPTION OF A RESOLUTION GRANTING APPROVAL FOR THE ISSUANCE OF NOT TO EXCEED \$8,500,000 OF THE AUTHORITY'S REVENUE BONDS FOR THE BENEFIT OF TEMPE PREPARATORY ACADEMY FOR ITS TEMPE PREPARATORY ACADEMY PROJECT.**

The following persons were in attendance by telephone in support of the proposed financing: Wayne Porter, Headmaster of Tempe Preparatory Academy, and Bryant Barber of Lewis Roca Rothgerber Christie LLP, Borrower's Counsel and Bond Counsel.

Mr. Fries explained that Tempe Preparatory Academy (the "Applicant") is requesting \$8,500,000 to build a 20,000 square foot science and arts building, along with a facade and wall around the campus to make it more secure. The bonds will be privately placed with Arizona Bank & Trust, and, if approved today, the Applicant intends to close the bond issue by the end of April.

Mr. Fries recommended approval of the resolution presented to the Board.

After further discussion and upon motion made by Ms. Spelleri and seconded by Ms. Burnham, the following was adopted:

RESOLVED to adopt a Resolution in the form presented to the meeting authorizing and approving the issuance of not to exceed \$8,500,000 The Industrial Development Authority of the County of Maricopa Educational Facilities Revenue Bonds (Tempe Preparatory Academy Project), Series 2020.

The motion passed unanimously by a vote of (8-0).

3. **LEGISLATION REPORT, DISCUSSION AND ACTION AS DETERMINED.**

Courtney LeVinus and Jake Hinman were in attendance by telephone to report on legislative matters.

Ms. LeVinus said the Arizona Legislature temporarily adjourned on March 23, 2020, but prior to adjourning, the Legislature created an \$11.8 billion budget to increase emergency funding and post COVID-19 funding, including such things as housing and rental assistance, homeless funding, food and shelter funding and assistance for small businesses and nonprofits. To date, approximately \$50 million of that budget has been spent, and the Governor's office is still evaluating how to spend the remainder of the monies. The Legislature has been scheduled to reconvene on April 13, 2020, but will need to reassess when they can safely do so.

Mr. Hinman reported the Financial Advisory Committee met at the Capitol last week regarding the dire economic projections, which are changing weekly as more news of COVID-19 evolves. There will likely be a significant budget shortfall, with estimates anywhere from \$600 million to \$1.6 billion by the end of fiscal year 2021. This shortfall estimate is very significant since prior to COVID-19, the State's estimated surplus was \$1 billion.

4. **DISCUSSION AND ACTION AS DETERMINED REGARDING THE ARIZONA COMMUNITY FOUNDATION ARIZONA COVID-19 COMMUNITY RESPONSE FUND.**

Jacking Alling, Chief Philanthropic Officer of Arizona Community Foundation ("ACF"), was in attendance by telephone.

Mr. Westad explained that this request is intended to utilize the administrative resources of ACF in processing any requests the Authority might receive directly, and rather than having the Authority's staff work through each individual request, the nonprofits can be directed to work through ACF.

Ms. Scharbach reported the Authority has been inundated with requests by numerous nonprofits that have been affected by COVID-19.

Ms. Alling reviewed the slide presentation previously distributed to the Board Members, and explained the COVID-19 Community Response Fund was created quickly to respond to the current situation. ACF has coordinated with the Arizona Grantmakers Forum to ensure other nonprofit partners are involved so all parties' priorities are addressed. They are also working with the Arizona Governor's office.

ACF has developed a streamlined grant application in order to make the process move more rapidly.

ACF has raised more than \$9.5 million for the fund to date, and has assembled a diverse group of funders and community leaders for the grant panel, which has been reviewing hundreds of applications each week. The panel is currently working on the third grant cycle.

The fund will provide general operating support for nonprofits assisting families and children with essential and direct services, including: childcare, education support, eldercare, food security, healthcare, and human services.

ACF is also coordinating with the Valley of the Sun United Way to ensure the nonprofits they work with have their needs met.

Mr. Castro asked why the nonprofit applicant weren't required to first apply for the Small Business Association's ("SBA") Paycheck Protection Program? Ms. Alling

said the fund was established on March 13, 2020, and, at that time, there were not enough details on the SBA's program, and ACF was trying to disburse funds quickly.

After further discussion and upon motion made by Ms. Burnham and seconded by Mr. Bales, the following was adopted:

RESOLVED to approve the financial support in the amount of \$1,000,000 for the Arizona COVID-19 Community Response Fund.

Ms. Spelleri recused herself from voting on this matter because of her employment with Chicanos Por La Causa, and their potential for being a recipient of some of the grant funds.

Mmes. Burnham and James, along with Messrs. Bales, Westad, Rounds and Cohn voted aye. Mr. Castro voted nay.

The motion passed by a vote of (6-1).

5. DISCUSSION AND ACTION AS DETERMINED REGARDING A PARTNERSHIP WITH ARIZONA CHAMBER OF COMMERCE & INDUSTRY AND GREATER PHOENIX ECONOMIC COUNCIL TO ASSESS THE HEALTH OF THE REGION AND BRING RECOMMENDATIONS TO ADVANCE THE COUNTY'S ECONOMY BASED ON THE IMPACTS OF COVID-19.

Glenn Hamer, President and CEO of the Arizona Chamber of Commerce & Industry (the "Chamber"), and Chris Camacho, President and CEO, and Kathleen Lee, Sr. Vice President of Regional Strategy, both of Greater Phoenix Economic Council ("GPEC"), were in attendance by telephone in support of the request.

Mr. Rounds said his opinion is the economic downturn caused by COVID-19 will be short lived; however, it is important to determine how to implement some of the business aiding plans and track data close enough so that we can excel out of the downturn and come out stronger. Policy will need to be made based on good data.

Chris Camacho reported there are approximately 450,000 at-risk jobs in the State, or 1/5th of the State's total economy.

Mr. Camacho explained that the Chamber is affiliated with roughly 2,000 businesses and GPEC represents 22 cities and the County, along with 170 of the leading companies in the market, so they felt with the research capacity they both could bring, it allow them to advance beyond the high-level data that they already have.

Some of their goals are to (a) assess the trajectory of the economic recovery and compare with existing models to understand how the Greater Phoenix market is playing out; (b) understand what programs have been most helpful to different

segments of the market, and test potential programs needed moving forward; (c) understand help needed or barriers to access for programs and policies; and (d) recommend state and local program and policy solutions to support businesses and residents.

Mr. Camacho said they are requesting \$300,000 from the Authority for the following purposes: project management and coordination, survey design and implementation, consulting for data and impact analysis, consulting for small business support model and communication and marketing. The goal would be to have recommendations completed within 90 days.

After further discussion and upon motion made by Ms. James and seconded by Mr. Bales, the following was adopted:

RESOLVED to approve the grant request for Phase 1 in the amount of \$300,000 for use to assess the area's data collection of financial health and recovery plan.

Mr. Rounds recused himself from voting on this matter because of a potential financial gain for his services rendered in this transaction.

All voted aye. None voted nay.

The motion passed unanimously by a vote of (7-0).

Ms. James requested the Authority be included as a presenter once the final report is completed.

6. FINANCIAL REPORT.

Ms. Scharbach referred to the unaudited financial statements for the period ended March 31, 2020. Copies of those statements are attached hereto.

Ms. Scharbach reviewed the March 31, 2020 unaudited financial statements.

Mr. Rounds left the meeting at 10:42 a.m.

7. PAYMENT OF INVOICES.

Ms. Scharbach referred to the invoices previously distributed to the Board Members for the months ended January 31, 2020, February 29, 2020 and March 31, 2020.

Ms. Spelleri moved to approve the payment of invoices as submitted for the periods ended January 31, 2020, February 29, 2020 and March 31, 2020. Ms. Burnham seconded the motion.

The motion passed unanimously by a vote of (7-0).

8. BUSINESS DEVELOPMENT OFFICER.

Mr. Ghelfi reported on the status of the Home in Five program.

9. PRESIDENT'S REPORT.

Mr. Westad reported on the recent Wall Breaking ceremony for Arizona Autism Charter School.

10. EXECUTIVE DIRECTOR'S REPORT.

Ms. Scharbach had no report.

11. LEGAL COUNSEL REPORT.

Mr. Fries reported the Tempe Preparatory Academy bond issue is scheduled to close by the end of April 2020.

12. COMMENTS FROM BOARD MEMBERS.

There were no comments from the Board.

13. CALL TO THE PUBLIC.

No members of the public commented.

ADJOURNMENT

With no further business to come before the Authority, upon motion made and duly seconded, the Regular Meeting was adjourned at 10:50 a.m., without objection.


