

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

Date: November 12, 2019, 9:30 a.m.

Place: Maricopa County Administration Building
Board of Supervisors Conference Room
301 West Jefferson, 10th Floor
Phoenix, Arizona

Presiding: Ronald L. Westad

Present: Ronald L. Westad, Ronald J. Castro, Jr., Rebecca Burnham,
Maria Spelleri, Jim Rounds, Andrew M. Cohn, Jeremy
Stawiecki and Steve Bales

Absent: Lisa A. James

Executive Director: Shelby L. Scharbach

Administrators: Janis L. Larson and Kathleen Jakubowicz

Business Development
Officer: Gregg Ghelfi

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 OCTOBER 8, 2019 AND THE PLANNING MEETING HELD ON OCTOBER 16, 2019.

On motion made by Mr. Stawiecki and seconded by Ms. Burnham, the minutes of the October 8, 2019 Regular Meeting and the October 16, 2019 Planning Meeting were approved as submitted.

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

2. **DISCUSSION AND ACTION AS DETERMINED REGARDING THE ADOPTION OF A RESOLUTION GRANTING FINAL APPROVAL FOR THE ISSUANCE OF NOT TO EXCEED \$75,000,000 OF THE AUTHORITY'S REVENUE BONDS FOR THE BENEFIT OF CREIGHTON UNIVERSITY FOR ITS CREIGHTON UNIVERSITY HEALTH SCIENCES – PHOENIX CAMPUS.**

3. **DISCUSSION AND ACTION AS DETERMINED REGARDING A GRANT REQUEST FROM CREIGHTON UNIVERSITY FOR THE CREIGHTON UNIVERSITY HEALTH SCIENCES – PHOENIX CAMPUS.**

Maria Spelleri joined the meeting at 9:32 a.m.

Agenda items 2 and 3 were discussed together.

Maricopa County Board of Supervisors Bill Gates and Steve Chucri were in attendance in support of the proposed project. Chairman Gates introduced Father Hendrickson.

The following persons were also present in support of the proposed project: Father Daniel Hendrickson (President of Creighton University), Dr. Robert (Bo) Dunlay (Dean of the School of Medicine), John Jesse (Associate Vice President for Finance - Creighton University), Matt Gerard (Vice President of Development - Creighton University), Meghan Frost (Assistant Vice President of Development – Creighton University), along with Joshua Meyer and Tim Nash of Kutak Rock (Bond Counsel and Borrower's Counsel).

Father Hendrickson gave background on Creighton University and presented a slide show. Father Hendrickson explained that there is a great need for more healthcare professionals in Maricopa County – the fastest growing county in the United States, which is expected to double in population by 2040. The proposed Creighton University medical training facility is expected to help retain more healthcare professionals within the county and state. Arizona currently ranks only 32 out of 50 states for active physicians, 42 out of 50 for active primary care physicians, and 40 out of 50 for active general surgeons.

Dr. Bo Dunlay reiterated the need for additional physicians within Arizona and explained that many of the general surgeons currently active in Arizona are nearing retirement age. Dr. Dunlay compared medical schools in Omaha, Philadelphia and Phoenix and each city's retained medical professionals, with Phoenix coming in significantly lower for retained medical professionals than Omaha and Philadelphia, with smaller populations.

Dr. Dunlay reviewed the timeline for the financing and construction, and reported the school should be operational with the first class of medical students starting in 2021.

John Jesse gave an overview of the sources and uses of the project and noted the participating bond financing team. Mr. Jesse explained the bonds will not be credit enhanced, but will be a general revenue pledge of the university, and expected to be rated Aa by Moody's.

Mr. Rounds reported he did an internal analysis of the project and praised Creighton University for their proposed project. Mr. Rounds asked Creighton representatives to join the Authority in brainstorming to help solve similar issues within the State.

Agenda item 2:

After further discussion and upon motion made by Mr. Stawiecki and seconded by Ms. Spelleri, 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 \$75,000,000 The Industrial Development Authority of the County of Maricopa Educational Facilities Revenue Bonds (Creighton University Project), Series 2019.

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

Agenda item 3:

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

RESOLVED to approve the grant request for the Creighton University Health Sciences – Phoenix Campus in the amount of \$2,500,000.

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

4. LEGISLATION REPORT, DISCUSSION AND ACTION AS DETERMINED.

Courtney LeVinus reported the new Legislative session will begin the second Monday in January. The House and Senate leadership are both attempting to establish a budget outline prior to the start of the next Legislative session in an attempt to expedite the matter through the Legislative session.

Ms. LeVinus explained that items that may be discussed this session are expected to be education, low income housing tax credits, the affordable housing trust fund, and changes to the IDA statutes.

5. DISCUSSION AND ACTION AS DETERMINED REGARDING THE 2019 HOME IN FIVE ADVANTAGE MORTGAGE ORIGINATION PROGRAM.

Scott Riffle of Stifel was in attendance to give an update on the Home in Five program. Mr. Riffle explained that George K. Baum & Company was successfully

acquired by Stifel, becoming the new program administrator for the Home in Five program. The program is doing extraordinarily well, and is approaching approximately \$50,000,000 in volume per month.

Mr. Riffle explained that the homebuyers that have been receiving an additional 1% of down payment assistance in the program, including first responders, teachers, military personnel and veterans, total approximately 8% of the program.

Ms. Spelleri requested Mr. Riffle provide the Board with more detailed demographics in the future.

6. FINANCIAL REPORT.

Ms. Scharbach referred to the unaudited financial statements for the period ended October 31, 2019. Copies of the October 31, 2019 unaudited financial statements are attached hereto.

Ms. Scharbach reviewed the October 31, 2019 unaudited financial statements, and said there was nothing out of the ordinary to report.

7. PAYMENT OF INVOICES.

Ms. Scharbach referred to the invoices previously distributed to the Board Members for the month ended October 31, 2019.

Ms. Scharbach pointed out the invoice for CliftonLarsonAllen for the audited financials for the period ended June 30, 2019, and said a representative of CliftonLarsonAllen will be in attendance at the December Board meeting to review the financial statements.

Ms. Burnham moved to approve the payment of invoices as submitted for the period ended October 31, 2019. Mr. Cohn seconded the motion.

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

8. BUSINESS DEVELOPMENT OFFICER.

Mr. Ghelfi invited the Board Members to the Pipeline AZ industry meetings taking place from 1:00 to 3:00 p.m. Monday through Thursday next week.

9. PRESIDENT'S REPORT.

Mr. Westad thanked the Board for their participation in the October 16, 2019 Planning Meeting.

10. EXECUTIVE DIRECTOR'S REPORT.

Ms. Scharbach reminded the Board Members of the upcoming I Am Home Breakfast for Human Services Campus scheduled for December 13, 2019.

11. LEGAL COUNSEL REPORT.

Mr. Fries reported on the three bond closings which took place over the past month – Highland Prep, Sun Valley Academy and Paradise Education, and said prior to the end of December the bond financings for Legacy Traditional Schools, Creighton University and AZ Autism Charter Schools are expected to close. In addition, the Gateway Academy application is expected to be submitted with an anticipated closing to take place prior to the end of the year.

12. COMMENTS FROM BOARD MEMBERS.

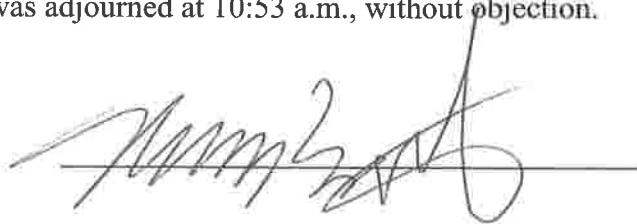
Mr. Rounds referred to the Authority's desire to find projects relating to economic development in which to invest, and suggested a larger project with matching funds partnering with the Maricopa County Board of Supervisors, GPEC and/or the Phoenix Chamber of Commerce – possibly setting aside \$1.5 million over a period of three consecutive years.

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 10:53 a.m., without objection.

A handwritten signature in black ink, appearing to be "M. Scharbach", written over a horizontal line.