

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

Date: May 11, 2021, 9:30 a.m.

Place: GoToMeeting - virtually

Presiding: Ronald J. Castro, Jr.

Present: Maria Spelleri, Ronald L. Westad, Andrew M. Cohn, Lisa A. James, Ronald J. Castro, Jr., Steve Bales, and Rebecca Burnham

Absent: Jim Rounds and Jeremey Stawiecki

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

Guests: Courtney LeVinus, Jake Hinman, Brigitte Finley Green and Jared Taylor

Mr. Castro called the Regular Meeting of the Board of Directors of the Authority to order at 9:34 a.m., noting the presence of a quorum.

**1. APPROVAL OF MINUTES OF THE REGULAR MEETING OF THE BOARD HELD ON APRIL 13, 2021.**

On motion made by Mr. Bales and seconded by Mr. Westad, the minutes of the April 13, 2021 Regular Meeting were approved as written.

**The motion passed unanimously by a vote of (6-0).**

**2. DISCUSSION AND ACTION AS DETERMINED AUTHORIZING THE FIRST SUPPLEMENTAL BOND INDENTURE TO EXTEND THE DRAW PERIOD FOR THE BENEFIT OF HERITAGE ACADEMY-MARICOPA CAMPUS PROJECT, SERIES 2019.**

The following persons were in attendance, virtually, in support of the proposed amendment for the benefit of Heritage Academy: Jared Taylor, CEO and President of Heritage Academy, and Brigitte Finley Green of Engelman & Berger.

Mr. Fries reminded the Board that the Authority approved a bond issue for Heritage Academy in 2019 for approximately \$17 million to finance a charter school campus in Maricopa, Arizona for grades 6 through 12.

The bonds for this project were draw down bonds, and were supposed to be drawn upon within two years of the bond issuance date. There were delays caused by COVID, and now the Authority is being asked to extend that draw down period, allowing Heritage to complete their construction.

In response to a question from Mr. Cohn, Mr. Taylor affirmed that Heritage Academy has had no material adverse changes of any kind relating to their financial condition, operating, structural issues, etc. He also reported the schools are ahead of their enrollment goals and have waiting lists for students.

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

RESOLVED to adopt a Resolution authorizing the execution and delivery of the First Supplemental Indenture in connection with the issuance of its Charter School Revenue Bonds (Heritage Academy-Maricopa Campus Project), Series 2019, and related matters in form and substance acceptable to legal counsel to the Authority.

**The motion passed unanimously by a vote of (6-0).**

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

Ms. LeVinus and Mr. Hinman were in attendance to report on the current legislative session.

Ms. LeVinus reported the Legislative session is still ongoing with budget negotiations being one item at the forefront. Disagreements continue among Legislators on how to spend the State's estimated \$1 billion of revenue surplus.

Ms. LeVinus noted Tom Simplot was recently appointed by Governor Ducey as the new Director of the Arizona Department of Housing, and Ms. Scharbach, Mr. Ghelfi and Ms. LeVinus will be meeting with Mr. Simplot in the very near future to discuss potential housing program partnerships using federal funds.

*Ms. James joined the meeting at 9:48 a.m.*

**4. FINANCIAL REPORT.**

Ms. Scharbach referred to the unaudited financial statements for the period ended April 30, 2021; a copy of which is attached hereto. Ms. Scharbach reviewed the financial statements, and reported the Authority has a very healthy net position, and has distributed over \$4.9 million in grants during this fiscal year.

Ms. Scharbach thanked Ms. Jakubowicz for her diligence in collecting the Authority's accounts receivables.

**5. PAYMENT OF INVOICES.**

Ms. Scharbach referred to the invoices previously distributed to the Board Members for the month ended April 30, 2021.

Mr. Castro moved to approve the payment of invoices as submitted for the period ended April 30, 2021. Ms. Burnham seconded the motion.

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

**6. BUSINESS DEVELOPMENT OFFICER.**

Mr. Ghelfi reported that Tallwave recently held their annual meeting. Over the past 7 years, Tallwave has invested in 22 projects – 6 companies of which are doing very well. Of the monies invested in those projects, \$4 million of the \$12 million has been returned.

Mr. Ghelfi also reported on Arizona State University's Healthy Urban Initiative with respect to an effort to reduce the heat in the Phoenix area through specialized pavement and vegetation.

Mr. Ghelfi then gave an update on ASU's Medtech project and Pipeline AZ.

Mr. Ghelfi reported on the Home in Five program, and noted mortgage originations have slowed down with the lack of inventory of homes throughout the County and the drastic increase in home prices.

**7. PRESIDENT'S REPORT.**

There was no president report.

8. **EXECUTIVE DIRECTOR'S REPORT.**

Ms. Scharbach noted the Authority has received a number of letters from recent grant recipients thanking the Board for their investment into each organization.

9. **LEGAL COUNSEL REPORT.**

Mr. Wilder reported on a notice that he recently became aware of relating to a home purchased through the Home in Five program and said he would follow up with the Board when more information becomes available.

10. **COMMENTS FROM BOARD MEMBERS.**

There were no comments from the Board Members.

11. **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 10:11 a.m., without objection.

  
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