

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

Date: August 9, 2022, 9:30 a.m.

Place: GoToMeeting - virtually

Presiding: Jim Rounds

Present: Jim Rounds, Ronald J. Castro, Jr., Ronald L. Westad, Andrew M. Cohn, Lisa A. James, Freddie Bracamonte, Jeremy Stawiecki and Rebecca Burnham

Absent: Jose Martinez

Executive Director: Shelby L. Scharbach

Administrators: Janis L. Larson and Mary Misic

Business Development Officer: Gregg Ghelfi

Attorney: William F. Wilder and John J. Fries of Clark Hill

Guests: Jake Hinman, Courtney LeVinus and Julie Guffey

Mr. Rounds called the Regular Meeting of the Board of Directors to order at 9:30 a.m., noting the presence of a quorum.

1. APPROVAL OF MINUTES OF THE REGULAR MEETING OF THE BOARD HELD ON JUNE 14, 2022.

On motion made by Mr. Westad and seconded by Mr. Cohn, the minutes of the June 14, 2022, Regular Meeting were approved as written.

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 AND SALE OF NOT TO EXCEED \$20,000,000 OF THE

AUTHORITY'S REVENUE BONDS FOR THE BENEFIT OF STEEPLE CHASE PRESERVATION APARTMENTS, LLC.

This agenda item was tabled.

3. REPORTS BY MULTIFAMILY HOUSING COMPLIANCE REVIEW ADVISORS, AND DISCUSSION AND ACTION AS DETERMINED REGARDING COMPLIANCE WITH LAND USE RESTRICTION AGREEMENTS OR REGULATORY AGREEMENTS ENCUMBERING OUTSTANDING MULTIFAMILY HOUSING PROJECTS FINANCED BY THE AUTHORITY.

Mr. Rounds introduced Julie Guffey of JAG Compliance and Consulting.

Ms. Guffey reported all the properties she reviews are performing according to their respective regulatory agreements.

Ms. James joined the meeting at 9:34 a.m.

4. LEGISLATIVE REPORT, DISCUSSION AND ACTION AS DETERMINED.

Jake Hinman reported the past Legislative session lasted 166 days, longer than any other Legislative session in Arizona's history, much of which was due to differing opinions on passing a state budget. An \$18 billion state budget was passed, which includes a \$5 billion surplus, and was the first state budget that passed with bi-partisan support. Part of that budget is the investment of approximately \$1 billion in water over a three-year period, \$1 billion for transportation projects, border security and border fencing, \$400 million for the rainy-day fund, and \$700 million for school maintenance and additional funding for K through 12.

Mr. Hinman noted Governor Ducey vetoed Proposition 400 to extend the transportation tax, which is a \$.05 sales tax.

Ms. LeVinus reported on the makeup of the Arizona Legislative districts. She explained currently Republicans are in the majority, with 30 solid seats in the House and 14 solid seats in the Senate. The House Democrats have 22 solid seats and 12 in the Senate. There will be a record number of new legislators who will have to get up to speed on 1,800 new bills that were introduced during the past Legislative session – 18 in the House and 8 in the Senate.

5. DISCUSSION AND ACTION AS DETERMINED REGARDING ADOPTION OF A RESOLUTION DESIGNATING PERSONS TO BE AUTHORIZED SIGNERS OF AUTHORITY DOCUMENTS, AUTHORIZED SIGNERS ON AUTHORITY BANK AND INVESTMENT ACCOUNTS, DESIGNATING AUTHORIZED AUTHORITY REPRESENTATIVES TO CONDUCT PUBLIC HEARINGS AND RELATED MATTERS.

Ms. Scharbach explained that past practices have been to request the Authority approve a new resolution on an annual basis that designates authorized signers for certain Authority documents and financial documents.

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

RESOLVED to adopt a resolution in the form presented to the meeting designating persons to be authorized signers of documents, authorized signers of bank and financial accounts and designating persons authorized to conduct public hearings on behalf of the Authority.

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

6. FINANCIAL REPORT.

Ms. Scharbach referred to the financial statements included in the Board packages for the months ended June 30, 2022, and July 31, 2022. Ms. Scharbach reviewed the June statements, and reported the operating income was higher in 2022 than in 2021.

Ms. Scharbach noted the auditors will begin reviewing the Authority's records soon and should be able to present their findings to the Board in November.

Mr. Rounds suggested the Board consider its current revenue/net position and then have a discussion on what the Authority should do moving forward with respect to community grant disbursements. Mr. Rounds said it might also be a good idea to do a long-term forecast for the Authority.

Ms. Scharbach reminded the Board that the Authority has invested approximately \$40 million over the past 10 years in the community with grant funds.

Mr. Westad suggested the Authority might want to look at what the minimum net position should be for the Authority, not necessarily the amount of individual grant requests.

7. PAYMENT OF INVOICES.

Ms. Scharbach referred to the invoices previously distributed to the Board Members for the months ended June 30, 2022, and July 31, 2022.

Mr. Westad moved to approve payment of the invoices as submitted for the periods ended June 30, 2022, and July 31, 2022. Mr. Stawiecki seconded the motion.

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

8. REPORT BY THE AUTHORITY'S PRESIDENT ON THE AUTHORITY'S CONDITION AS REQUIRED BY ARTICLE III, SECTION 1 OF THE AUTHORITY'S BY-LAWS.

Mr. Rounds referred to the report regarding the condition of the Authority previously distributed in the Board Member packages, and explained the report covers the Authority's transactions over the past fiscal year.

9. REPORT BY RON WESTAD REGARDING NOMINATION OF OFFICERS AND ELECTION OF OFFICERS.

Mr. Westad reported he contacted each person currently serving as an officer for the Authority, and each agreed to serve another year in the same officer position.

Mr. Stawiecki moved, and Ms. James seconded, to approve the following slate of officers to serve for 2022-2023:

President	Jim Rounds
First Vice President	Lisa A. James
Second Vice President	Rebecca L. Burnham
Secretary/Treasurer	Andrew M. Cohn

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

10. BUSINESS DEVELOPMENT OFFICER.

Mr. Ghelfi reported the Arizona IDA received government funds for their down payment assistance ("DPA") program so they were able to buy down their DPA and lower their interest rate. The program is short-term but does give the Arizona IDA a competitive advantage.

Home in Five Advantage program partners are looking at a number of different ways to stay competitive, including revising the way the lenders are being paid, a 30-year forgiveness DPA through an investment by Lakeview, and/or have the Authority and the Phoenix IDA invest in a 7 to 15 year forgiveness DPA.

11. PRESIDENT'S REPORT.

Mr. Rounds said he will be giving an economic update with current County data to the Board of Supervisors and will pass along a link to the Board/staff if anyone is interested.

12. EXECUTIVE DIRECTOR'S REPORT.

Ms. Scharbach noted that she and staff will tour the renovated County Administration Building to determine whether there are any conference rooms that could be used for future in-person Authority Board meetings, hopefully, in October.

Ms. Scharbach also noted the Authority would be holding a marketing event at Lon's at the Hermosa Inn on September 29, 2022 and will send out a calendar invite to the Board Members. Board Members were encouraged to provide a list of any guests they would like to have included for the event.

13. LEGAL COUNSEL REPORT.

Mr. Fries had no report.

14. COMMENTS FROM BOARD MEMBERS.

There were no comments from the Board.

15. 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 adjourned at 10:20 a.m., without objection.


