

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

Date: February 14, 2023, 9:30 a.m.

Place: GoToMeeting - virtually

Presiding: Jim Rounds

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

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: Courtney LeVinus, Michael Slutskiy, Kji Helffenstein, Charles Lotzar, Mary Foote, Katie Belous, Kimber Lanning

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 JANUARY 10, 2023.**

On motion made by Mr. Westad and seconded by Ms. James, the minutes of the January 10, 2023, Regular Meeting were approved as written.

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

**2. DISCUSSION AND ACTION AS DETERMINED REGARDING THE ADOPTION OF A RESOLUTION GRANTING PRELIMINARY APPROVAL FOR THE ISSUANCE AND SALE OF NOT TO EXCEED \$67,000,000 OF THE AUTHORITY'S REVENUE BONDS FOR THE BENEFIT OF GUNG HO**

**PARTNERS, LLC FOR THE PURCHASE AND REHABILITATION OF THE PHOENIX MANOR APARTMENTS.**

The following persons were in attendance in support of the financing request for the Phoenix Manor Apartments: Michael Slutskiy and Kji Helffenstein, representatives of Gung Ho Partners, LLC (the “Applicant”), and Charles Lotzar, local counsel for the Applicant.

Mr. Fries explained the Applicant is an experienced developer with over 41 low-income housing tax credit projects over the past 16 years, including an Arizona project financed through the Phoenix IDA in 2017.

The Applicant plans to purchase and rehab a 450-unit senior living apartment project currently known as the Phoenix Manor Apartments and located at 2636 North 41<sup>st</sup> Avenue, Phoenix, Arizona.

This is a request for preliminary approval to allow the Applicant to be reimbursed for expenses relating to the project that have incurred within the last 60 days up through the date of the financing, along with allowing the Applicant to seek approval for low-income housing tax credits from the Arizona Department of Housing.

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

RESOLVED to adopt the Resolution in the form presented to the meeting preliminarily authorizing and approving the issuance of not to exceed \$67,000,000, The Industrial Development Authority of the County of Maricopa Multifamily Housing Revenue Bonds (Phoenix Manor Apartments Project).

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

**3. DISCUSSION AND ACTION AS DETERMINED REGARDING THE 2019 HOME IN 5 ADVANTAGE MORTGAGE ORIGINATION PROGRAM RELATING TO THE HFA ADVANTAGE CASHFLOW PROGRAM SPONSORED BY FREDDIEMAC.**

Mr. Ghelfi reminded the Board this cashflow program was first originated by GK Baum, the predecessor to Stifel. FreddieMac offered subsidized down payment assistance for borrowers who were 80% or below gross area median income. Although the program was short lived, there are still borrowers with remaining down payment assistance balances. As these funds continue being paid down, they are deposited into accounts that require signers from both the Authority and the Phoenix IDA.

The request before the Board is simply to update the Authority’s authorized signers for this FreddieMac program.

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

RESOLVED to adopt the Resolution in the form presented at the meeting authorizing the Executive Director and/or any Administrator to act as “Authorized Employees” under the Federal Home Loan Mortgage Corporation HFA Advantage Cashflow Program, and to authorize the Executive Director to take any action necessary or appropriate on behalf of the Authority to finalize the Certificate of Incumbency and administer the FreddieMac Program.

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

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

Ms. LeVinus reported over 1,600 bills have been introduced in this legislative session, and several hundred of them will not make it through the initial committee hearing process that ends on February 17, 2023.

Ms. LeVinus updated the Board on the proposed Senate Bill 1718, which would change the division of allocations of the Arizona state ceiling. Ms. LeVinus said she and Jake Hinman are working with the proponents of the bill on further amendments. Ms. LeVinus said she would recommend the Authority stay neutral at this point and continue to work with the proponents of the bill.

**5. PRESENTATION BY REPRESENTATIVES OF PIPELINE AZ.**

Mary Foote and Katie Belous, representatives of Pipeline AZ, were in attendance to update the Board on the Pipeline AZ project.

Ms. Foote presented a slide show and reminded the Board that Pipeline AZ is the only end-to-end solution for career development in the state that connects industry and education.

Every student in Arizona is required to have an education career action plan by the time they graduate, and Pipeline AZ is the platform that the Department of Education offers to help the students complete that assignment.

Ms. Foote reported Pipeline AZ has seen record numbers in growth, with over 100,000 users and over 6,000 employers that are now registered to post jobs and connect with candidates at the community college level and the adult level.

Ms. Belous reviewed the 3CI Plan (career, college and credentials), made possible through a Maricopa County award, which connects users from the My Future AZ to the Maricopa Pipeline.

Mr. Rounds then reviewed the potential economic impact Pipeline AZ has/will have on the state.

**6. PRESENTATION BY REPRESENTATIVES OF LOCAL FIRST ARIZONA FOUNDATION.**

Kimber Lanning of Local First Arizona Foundation (“Local First”) thanked the Board for the investment in Local First programs. Local First is a statewide organization focused on increasing capacity in under-resourced areas and has a wide variety of programs in the south Phoenix community.

Ms. Lanning focused on the Fuerza Local program and explained that the program is a 6-month business accelerator program that is taught in Spanish (although most of the participants are bilingual, it is a relief for them to ask questions in their native language). It is the only business accelerator program in the region that is taught in Spanish.

The program also helps to address issues relating to financial illiteracy and assists the participants with building their credit scores.

Ms. Lanning went on to applaud the many successes of the Fuerza Local program and the Next Level Executive program, which attempts to build on-going relationships with participants that have come through the Fuerza Local program that are showing substantial growth. To date, at least five companies coming through these programs are now grossing over \$1.5 million annually.

*Mr. Cohn left the meeting at 10:34 a.m.*

**7. FINANCIAL REPORT.**

Ms. Scharbach referred to the financial statements included in the Board packages for the month ended January 31, 2023, and told the Board they could refer any questions to her.

**8. PAYMENT OF INVOICES.**

Ms. Scharbach referred to the invoices previously distributed to the Board Members for the month ended January 31, 2023.

Mr. Bracamonte moved to approve payment of the invoices as submitted for the month ended January 31, 2023. Ms. Burnham seconded the motion.

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

**9. BUSINESS DEVELOPMENT OFFICER.**

Mr. Ghelfi reported the Home in Five program had more volume in January than there had been in the last three quarters of 2022.

**10. PRESIDENT'S REPORT.**

Mr. Rounds requested discussions with staff on whether the Authority should be seeking out various funding sources and partnership relationships to leverage the Authority's funds and other funding sources.

Kimber Lanning added the public/private partnerships are becoming very popular around the country to attract larger grants into the region and encouraged the Authority to explore those partnerships.

**11. EXECUTIVE DIRECTOR'S REPORT.**

Ms. Scharbach reminded the Board of the upcoming Urban Land Institute Trends Day to be held on March 10, 2023.

**12. LEGAL COUNSEL REPORT.**

Mr. Fries had no report.

**13. COMMENTS FROM BOARD MEMBERS.**

There were no comments from the Board.

**14. 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 10:38 a.m., without objection.

  
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