

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

Date: September 12, 2023, 9:30 a.m.

Place: GoToMeeting - virtually

Presiding: Lisa A. James

Present: Lisa A. James, Jim Rounds, Andrew M. Cohn, Ronald J. Castro, Jr., Freddie Bracamonte and Jose Martinez

Absent: Jeremey Stawiecki and Rebecca Burnham

Executive Director: Shelby L. Scharbach

Administrators: Janis L. Larson and Mary Misic

Business Development Officer: Gregg Ghelfi

Attorney: Julie Arvo MacKenzie and Brigitte Finley Green of Squire Patton Boggs

Guests: Charles Lotzar, Griffin Hitzel, David Wallace and Nick LaCoul

Ms. James called the Regular Meeting of the Board of Directors to order at 9:32 a.m., noting the presence of a quorum.

1. APPROVAL OF MINUTES OF THE ANNUAL AND REGULAR MEETING OF THE BOARD HELD ON AUGUST 8, 2023.

On motion made by Mr. Rounds and seconded by Mr. Cohn, the minutes of the August 8, 2023, Annual and Regular Meeting were approved as written.

The motion passed unanimously by a vote of (5-0).

2. DISCUSSION AND ACTION AS DETERMINED REGARDING THE ADOPTION OF A RESOLUTION GRANTING PRELIMINARY APPROVAL FOR THE ISSUANCE AND SALE OF NOT TO EXCEED \$25,000,000 OF THE AUTHORITY'S REVENUE BONDS TO FINANCE THE RESIDENCES AT

GRAND CANAL FOR THE BENEFIT OF RESIDENCES GRAND CANAL APARTMENTS LLC.

Ms. Arvo MacKenzie gave a brief background on the project and advised the Board this preliminary approval request is for not to exceed \$25 million of bond proceeds to construct a 112-unit apartment complex to be known as the Residences at Grand Canal, and to be located at 4705 North 75th Avenue, Phoenix, Arizona. The financing is expected to close during the first quarter of 2024.

The project will be used for tenants whose income is at or below 60% of area median income.

Charles Lotzar of the Lotzar Law Firm, the Applicant's local counsel, added this project will also include 4% low-income housing tax credits, along with a sponsor loan from DevCo in the amount of \$5,750,000. This sponsor loan will be equivalent to gap financing.

Mr. Lotzar explained that preliminary approval is currently being requested so that the applicant can be reimbursed through bond proceeds for allowable expenses incurred up to 60 days prior to preliminary approval.

Mr. Lotzar then responded to a number of questions from Board Members regarding the financing.

Mr. Lotzar introduced representatives of DevCo who were present virtually – Griffin Hitzel, David Wallace and Nick LaCoul.

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

RESOLVED to adopt the inducement Resolution in the form presented to the meeting preliminarily authorizing and approving the issuance of not to exceed \$25,000,000 of The Industrial Development Authority of the County of Maricopa Multifamily Housing Revenue Bonds (Residences at Grand Canal Project).

The motion passed unanimously by a vote of (5-0).

3. DISCUSSION AND ACTION AS DETERMINED REGARDING THE ADOPTION OF A RESOLUTION GRANTING PRELIMINARY APPROVAL FOR THE ISSUANCE AND SALE OF NOT TO EXCEED \$35,000,000 OF THE AUTHORITY'S REVENUE BONDS TO FINANCE THE APACHE GARDEN APARTMENTS FOR THE BENEFIT OF APACHE GARDEN APARTMENTS, LLC.

Ms. Arvo MacKenzie explained this request is similar to that of Residences at Grand Canal, as far as the participants and financing structure. This project will also be a

new build of 144 units to be located at 9705 East Main Street, Mesa, Arizona, in an amount not to exceed \$35 million.

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

RESOLVED to adopt the inducement Resolution in the form presented to the meeting preliminarily authorizing and approving the issuance of not to exceed \$35,000,000 of The Industrial Development Authority of the County of Maricopa Multifamily Housing Revenue Bonds (Apache Gardens Project).

The motion passed unanimously by a vote of (5-0).

Mr. Martinez left the meeting at 9:45 a.m., at which time there was no quorum of the Board.

This agenda item was taken out of order.

6. BUSINESS DEVELOPMENT OFFICER.

Mr. Ghelfi updated the Board on the ARPA funds recently received through Maricopa County to be used in the Home in Five Program for the 7-year down payment assistance loans.

Mr. Ghelfi then reported on the progress being made for the joint single family mortgage revenue bond program between the Phoenix IDA and the Authority, which will be included on the Authority's October 10, 2023, agenda for approval.

Mr. Cohn asked for a list of the number of homes financed through the Home in Five Program broken down by each city within Maricopa County, along with a list of multifamily housing projects broken down by cities in Maricopa County.

Mr. Bracamonte joined the meeting at 9:55 a.m.

4. 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, as well as designating persons to conduct public hearings.

After further discussion and upon motion made by Mr. Cohn and seconded by Mr. Bracamonte, 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 (5-0).

5. PAYMENT OF INVOICES, AND ACTION AS DETERMINED.

Ms. Scharbach referred to the invoices previously distributed to the Board Members for the month ended August 31, 2023, and requested approval by the Board.

Mr. Rounds moved to approve payment of the invoices as submitted for the month ended August 31, 2023. Mr. Cohn seconded the motion.

The motion passed unanimously by a vote of (5-0).

Mr. Bracamonte left the meeting at 9:58 a.m.

7. PRESIDENT'S REPORT.

Ms. James had no report.

8. EXECUTIVE DIRECTOR'S REPORT.

Ms. Scharbach reported she is in the process of setting up briefings in the October timeframe with each of the Supervisors to report on the Authority's activities, with a possible formal presentation at one of the Supervisors' November meetings.

Ms. Scharbach encouraged Board Members to reach out to their respective Supervisor.

Mr. Cohn said he would like to be included in the meeting with his Supervisor.

Mr. Round reported he attended one of the past Supervisors' meetings and reported on the Authority. Mr. Rounds asked Ms. Scharbach to share the link for that presentation with Board Members.

9. LEGAL COUNSEL REPORT.

Ms. Arvo MacKenzie explained that at the October 10, 2023, regular meeting, the Board Members will be asked to approve \$200,000,000 of single family mortgage revenue bonds, even though the first tranche is expected to be \$30,000,000.

10. COMMENTS FROM BOARD MEMBERS.

There were no comments from the Board.

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 Annual and Regular Meeting adjourned at 10:04 a.m., without objection.


