

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

Date: March 12, 2024, 9:30 a.m.

Place: GoToMeeting - virtually

Presiding: Lisa A. James

Present: Lisa A. James, Andrew M. Cohn, Ronald J. Castro, Jr.,  
Rebecca Burnham, Vanessa Valenzuela Erickson, and Leah  
Landrum Taylor

Absent: Freddie Bracamonte, Jeremy Stawiecki, and Jose Martinez

Executive Director: Shelby L. Scharbach

Administrators: Janis L. Larson and Mary Misic

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

Guests: Courtney LeVinus, Bill McAllister, Joe Keeper, Mary Sue  
Lotzar, Amber Smith and Katie Belous

Ms. James 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 FEBRUARY 13, 2024.**

On motion made by Ms. Burnham and seconded by Ms. Valenzuela Erickson, the minutes of the February 13, 2024, Regular Meeting were approved as written.

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

**2. DISCUSSION AND ACTION AS DETERMINED REGARDING THE ADOPTION OF A RESOLUTION GRANTING FINAL APPROVAL FOR THE ISSUANCE AND SALE OF NOT TO EXCEED \$15,000,000 OF THE AUTHORITY'S REVENUE NOTE FOR THE LA VICTORIA COMMONS PROJECT, FOR THE BENEFIT OF LA VICTORIA COMMONS 4% LIHTC, LP.**

Ms. Arvo MacKenzie reminded the Board that they preliminarily approved the issuance of bonds for this project at their regular meeting on December 12, 2023. The approval provided the borrower the opportunity to apply for carryforward volume cap through the Arizona Finance Authority. Volume cap has been received, and now the borrower is requesting final approval.

Ms. Arvo MacKenzie said the project will be located within the city of Tempe, on city owned land. The project will be a 5-story building, with floors 4 and 5 being financed with low-income housing tax credits. The other floors will also include low-income housing – the first floor will include parking, a retail shop, community space, and a health clinic. Floors 4 and 5 will have 52 low-income housing units.

Ms. Arvo MacKenzie introduced Bill McAllister and Norm Duve of Copa Health, Joe Keeper of Keeper Consulting Services, and Mary Sue Lotzar of Lotzar Law Firm, P.C., all of whom were present in support of the project.

In response to a question from Mr. Cohn regarding the financing for floors 1, 2 and 3, Mr. Keeper explained that floors 1, 2 and 3 are being financed with 9% low-income housing tax credits (“LIHTC”) with a construction loan and permanent loan through Wells Fargo Bank. The same financing partners will be used for floors 4 and 5; however, Wells Fargo Bank will be taking that interest in the tax-exempt note through the Maricopa County IDA. National Equity Fund will be the tax credit investor throughout the entire building. Floors 1, 2, and 3 will have 9% LIHTCs and floors 4 and 5 will have 4% LIHTCs.

Mr. Keeper said this approach to splitting the building in two is called twining, where the extra tax credit eligible basis that is left over from the 9% credits is capitalized with the 4% credits.

Discussion ensued regarding various agreements/leases with all parties involved.

In response to a question from Ms. Landrum Taylor regarding projected rents on the apartment units, Mr. Keeper reported a one-bedroom will be \$876, a two-bedroom \$1,052 and a three-bedroom \$1,215 per month – less a utility allowance. Section 8 vouchers provided through the City of Tempe will be accepted, in addition to other rental assistance contracts.

Mr. Duve discussed marketing efforts to assist low-income individuals.

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

RESOLVED to adopt the Resolution in the form presented to the meeting authorizing and approving the issuance of not to exceed \$15,000,000 The Industrial Development Authority of the County of Maricopa Multifamily Housing Revenue Note (La Victoria Commons Project), Series 2024.

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

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

Courtney LeVinus reported the week of March 18<sup>th</sup> is the last week to hear bills in the Legislature's second chamber. Approximately one-third of bills make it through this process.

HB2161 which allows for smaller IDAs to bypass the Arizona Department of Housing preapproval process is still moving along and has been assigned to the Senate Government Committee.

Arizona SCR 1007 could possibly appear on the November ballot. This bill limits banking relationships with any entity discriminating against firearms or firearm manufacturers.

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

Amber Smith and Katie Belous of Pipeline AZ were in attendance to update the Board on the progress of Pipeline AZ.

Ms. Smith introduced herself as the new CEO of Pipeline AZ and gave some background on herself.

Ms. Smith reviewed a PowerPoint presentation and explained that the goal of Pipeline AZ is to connect Arizona talent, educators, and employers.

Pipeline AZ provides career coaching, helps support employers to recruit talent, connects with various job placement services and connects to post-secondary trainers and educators.

Pipeline AZ currently has approximately 180,000 users on the platform, over 350 schools, and almost 8,000 employers - with a 15% growth month over month.

Ms. Smith went on to report Arizona is becoming recognized as best practices due to the investment of the Maricopa County IDA. The Arizona Department of Education has also invested in Pipeline AZ to build a white label for all the public and private schools in Arizona called My Future AZ wherein every one of those schools has access to My Future AZ for middle school and high school students to be able to align their career interests with localized training programs.

The projected economic impact is between \$70.8 million and \$114.5 million as Pipeline AZ continues to grow over the next 10 years.

Ms. Smith responded to questions from Board Members.

*Mr. Cohn left the meeting at 10:30 a.m.*

**5. FINANCIAL REPORT.**

Ms. Scharbach referred to the financial statements included in the Board packages for the month ended February 29, 2024, and reviewed the same.

Ms. Scharbach discussed the new trend of many applicants to pay a one-time upfront user assessment fee rather than a semi-annual ongoing fee.

**6. PAYMENT OF INVOICES, AND ACTION AS DETERMINED.**

Ms. Scharbach referred to the invoices previously distributed to the Board Members for the month ended February 29, 2024, and requested approval by the Board.

Mr. Castro moved to approve payment of the invoices as submitted for the month ended February 29, 2024. Ms. Landrum Taylor seconded the motion.

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

**7. PRESIDENT'S REPORT.**

Ms. James reminded the Board Members of the upcoming special meeting and the in-person meeting in April.

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

Ms. Scharbach thanked the Board Members for being flexible in accommodating HonorHealth with a special meeting to meet their financing timeline.

**9. LEGAL COUNSEL REPORT.**

Ms. Arvo MacKenzie updated the Board on the mortgage revenue bond program and reported the 2023A bond program is fully reserved. In order to avoid a gap in being able to offer mortgages to first-time homebuyers, an additional \$30 million of bonds will be issued on or about March 20, 2024, with a mortgage rate of 5.90%. That money is expected to be reserved rather quickly, so another tranche is expected to close shortly thereafter.

**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 Regular Meeting adjourned at 10:50 a.m., without objection.



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