

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

Date: September 17, 2024, 9:30 a.m.

Place: GoToMeeting – virtually

Presiding: Rebecca Burnham

Present: Rebecca Burnham, Lisa A. James, Freddie Bracamonte, Ronald J. Castro, Jr., Andrew M. Cohn, Jeremey Stawiecki, Jose Martinez, and Leah Landrum Taylor

Absent: Vanessa Valenzuela Erickson

General Counsel: Julie Arvo MacKenzie

Special Counsel: Brigitte Finley Green of Squire Patton Boggs

Administrators: Janis L. Larson and Mary Mistic

Guests: Griffin Hitzel, Charles W. Lotzar, Faith Pettis, Victor Serna, Dennis Naughton, Michael Schierl, Scott Kies, Amanda Jelleson, Terry Warren, and Akshai Patel

Ms. Burnham 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 AUGUST 13, 2024.

On motion made by Mr. Bracamonte and seconded by Mr. Castro, the minutes of the August 13, 2024, Annual and 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 FINAL APPROVAL FOR THE ISSUANCE AND SALE OF NOT TO EXCEED \$59,000,000 OF THE AUTHORITY'S REVENUE BONDS FOR THE BENEFIT OF JESSE OWENS PARKWAY APARTMENTS, LLC.

The following people were present in support of this agenda item: Griffin Hitzel of Devco, the developer; Charles W. Lotzar of Lotzar Law Firm, local borrower's counsel; and Faith Pettis of Pacifica Law Group, Bond Counsel.

Ms. Finley Green, acting as Special Issuer's Counsel, explained that this agenda item is being brought before the Board for final approval in an amount not to exceed \$59,000,000 for a 236-unit multifamily housing project to be located near Baseline and Central in south Phoenix. The project will be a 60/40 set aside project under Federal tax rules. The bonds will be privately placed with Western Alliance Business Trust, and Pacifica Law Group will serve as Bond Counsel.

Ms. Finley Green reminded the Board they granted preliminary approval to this project in April 2024, which allowed the Applicant to obtain volume cap and apply for low-income housing tax credits.

Ms. Finley Green said the financing documents are in substantially final form and would recommend the Board's approval.

Mr. Lotzar added in order to get the maximum tax credits, 100% of the 236 units will be made available to persons or families whose income is at or below 60% of the area median income. Also, the sponsor/developer, Devco, will contribute a \$10,000,000 loan that will be deeply subordinate to all other debt service, along with a substantial deferred developer fee.

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

RESOLVED to adopt the final approval Resolution in the form presented to the meeting authorizing and approving the issuance of not to exceed \$59,000,000 The Industrial Development Authority of the County of Maricopa Multifamily Housing Revenue Bonds (Jesse Owens Parkway Apartments Project), Series 2024.

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

3. DISCUSSION AND ACTION AS DETERMINED REGARDING THE ADOPTION OF A RESOLUTION GRANTING FINAL APPROVAL FOR THE ISSUANCE AND SALE OF NOT TO EXCEED \$18,000,000 OF THE AUTHORITY'S REVENUE BONDS FOR THE BENEFIT OF SETON ROMAN CATHOLIC HIGH SCHOOL CHANDLER.

The following persons were present in support of this agenda item: Victor Serna principal of Seton Roman Catholic High School Chandler (the "Applicant"); Dennis Naughton, general counsel to Applicant; and Michael Schierl of Croke Fairchild Duarte & Beres, Bond Counsel.

Ms. Arvo MacKenzie explained the Applicant is seeking final approval to refinance a large classroom building and construct a new event center on their Chandler high school campus.

Ms. Arvo MacKenzie said the bonds will be privately placed with National Bank of Arizona. She also stated the financing documents are in substantially final form, and she would recommend the Board's approval.

Mr. Serna responded to questions from Mr. Castro with respect to the financial status of the school.

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

RESOLVED to adopt the final approval Resolution in the form presented to the meeting authorizing and approving the issuance of not to exceed \$18,000,000 The Industrial Development Authority of the County of Maricopa Tax-Exempt Revenue Bonds (Seton High School Project), Series 2024.

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

4. DISCUSSION AND ACTION AS DETERMINED REGARDING THE ADOPTION OF A RESOLUTION GRANTING FINAL APPROVAL FOR THE ISSUANCE AND SALE OF NOT TO EXCEED \$10,000,000 OF THE AUTHORITY'S REVENUE BONDS FOR THE BENEFIT OF INCITO SCHOOLS.

The following persons were present in support of this agenda item: Amanda Jelleson, CEO and Co-Founder of Incito Schools (the "Applicant"); Scott Kies of Aspire Business Consultant, Business Manager; Terry Warren of Warren Charter Law, Applicant's counsel; and Akshai Patel of HJ Simms, underwriter.

Ms. Finley Green reported Squire Patton Boggs will be acting as Bond Counsel on this transaction to assist the Applicant in the acquisition of the building currently being leased for the school.

Ms. Jelleson said she and Dr. April Black founded the school in 2013 to provide a school of choice to families who seek a school focused on teaching character, innovation and leadership. The school, located at 877 North Sarival Road, Goodyear, Arizona, currently has approximately 200 students from grades K to 8th. 23% of the school's population is special education students and approximately 60% of the students qualify for free or reduced lunch.

In response to a question from Mr. Castro regarding the Applicant's financials, Mr. Kies explained that the Applicant's financials will be flat from the previous fiscal year; however, there were a number of one-time expenses during the 2023-2024 fiscal year. Enrollment has increased for the 2024-2025 school year, with an estimated \$300,000 surplus for 2025.

Ms. Arvo MacKenzie added this matter will be considered by the Maricopa County Board of Supervisors on September 25th, with plans to close in November 2024.

Ms. Arvo MacKenzie said the financing documents are in substantially final form and she would recommend the Board's approval.

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

RESOLVED to adopt the final approval Resolution in the form presented to the meeting authorizing and approving the issuance of not to exceed \$10,000,000 The Industrial Development Authority of the County of Maricopa Education Revenue Bonds (Incito Schools Project), Series 2024.

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

5. FINANCIAL REPORT.

Ms. Arvo MacKenzie explained that Ms. Scharbach will discuss the financials at the October Board meeting.

6. PAYMENT OF INVOICES, AND ACTION AS DETERMINED.

Ms. Arvo MacKenzie referred to the invoices previously distributed to the Board Members for the month ended August 31, 2024, and requested approval by the Board.

Mr. Castro moved to approve payment of the invoices as submitted for the month ended August 31, 2024. Mr. Stawiecki seconded the motion.

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

7. PRESIDENT'S REPORT.

Ms. Burnham reported the grant/investment requests that were discussed at the August Board meeting from Raza Development Fund, SHILA and GPEC will be on the Authority's October agenda as action items. Messrs. Cohn and Castro have been asked to review the proposals from these applicants prior to the October Board meeting.

8. LEGAL COUNSEL REPORT.

Ms. Arvo MacKenzie referred to the legal counsel report included in the Board Member packages and updated the Board on the Home in Five program(s). She updated the Board on the use of the ARPA funds received through Maricopa County and reported after making a few changes in the restrictions of the program all of the ARPA funds have now been reserved. Also, the \$200,000,000 Home in Five Platinum funds have been used for mortgage loans, with the exception of the Targeted Area Funds, which are required to be set aside for a period of one year in order to keep the tax-exempt status of the bonds.

Ms. Arvo MacKenzie then reviewed the pending bond financing applications, including Incito Schools, Seton High School and Jesse Owens Parkway Apartments.

9. COMMENTS FROM BOARD MEMBERS.

There were no comments from the Board.

10. CALL TO THE PUBLIC.

No members of the public commented.

ADJOURNMENT

With no further business to come before the Authority, the Regular Meeting adjourned at 10:00 a.m.


