



The Industrial Development Authority  
of the City of Tucson

**THE INDUSTRIAL DEVELOPMENT AUTHORITY  
OF THE CITY OF TUCSON, ARIZONA**

**Regular Meeting**

Thursday, December 20, 2019  
3:00 p.m.

Tucson Metropolitan Chamber of Commerce  
212 E. Broadway  
Tucson, Arizona 85701

**Legal Action Report**

**Present: Board Members**

Larry Lucero  
Neal Eckel  
Judy Clinco – via teleconference  
Mimi Noshay-Petro  
Sandra Barton – arrived 3:04 p.m.  
Meredith Aronson  
Patricia Schwabe – arrived 3:45 p.m.

**Advisors**

Charles Lotzar, Lotzar Law Firm, PC  
Gary Molenda, BDFC Advisor Services, LLC  
Karen Valdez, BDFC Advisor Services, LLC

**Guests**

Mike Czechowski, City of Tucson  
Scott Riffle, Stifel Public Finance

The Regular Meeting of the Board of Directors of The Industrial Development Authority of the City of Tucson, Arizona (the “**Authority**”) was held on **December 20, 2019**, at the Tucson Metropolitan Chamber of Commerce, 212 E. Broadway, Tucson, AZ 85701. All Authority’s Board Members and the general public were duly notified of the meeting. C. Lotzar had informed the Authority’s Board of Directors that Arizona’s Open Meeting Laws allow for members of the Authority’s Board of Directors and legal counsel to appear and participate in the meeting telephonically so long as all participants in the meeting can hear and be heard.

ITEM	ACTION TAKEN/TO BE TAKEN
1. Call to Order	The meeting was called to order at <b>3:00 p.m.</b>
2. Request for resolution to approve the Minutes of the Regular Meeting of November 21, 2019.	A <b>MOTION</b> was made and seconded (M. Petro / N. Eckel) to approve the minutes of the <b>November 21, 2019</b> Regular Meeting as presented. <b>Approved 5-0</b>
3. Request for resolution to approve the payment of invoices and the notification of to be paid on the Authority’s behalf by third parties.	A <b>MOTION</b> was made and seconded (N. Eckel / S. Barton) to approve payment of invoices, as presented. <b>Approved 6-0</b>

<p><b>4. Status report from the Liaison to City of Tucson, Arizona City Manager’s Office related to:</b></p> <ul style="list-style-type: none"> <li>a. The City’s Economic Development Prospect list.</li> <li>b. The City’s use of Economic Development tools.</li> <li>c. Opportunity Zones.</li> <li>e. Current items of interest.</li> </ul>	<p>No action taken</p>
<p><b>5. President’s Report: Summary of current events, including items brought to the President’s attention or matters that required handling by the President since the last meeting:</b></p> <ul style="list-style-type: none"> <li>a. Regular Meeting in 2020 will be at 2:30 pm on the 3<sup>rd</sup> Thursday of each month.</li> <li>b. Urban Land Institute (“ULI”) Trends Day 2020 – February 26, 2020 – JW Marriott Desert Ridge, 5350 E. Marriott Drive, Phoenix, Arizona 85054</li> <li>c. Rio Nuevo – Project for Public Spaces – Summary Notes from: Place Making at El Presidio</li> </ul>	<p>No action taken</p>
<p><b>6. Status report and review of website development and request for resolution for any actions related thereto.</b></p>	<p>No action taken</p>
<p><b>7. Status report related to relationship with Veridus and request for resolution related thereto.</b></p>	<p>A <b>MOTION</b> was made and seconded (S. Barton / M. Petro) to approve Agreement of Representation, dated <b>December 19, 2019</b>, for the term beginning <b>August 1, 2019</b> through <b>December 31, 2020</b> including the monthly fee increase as presented. <b>Approved 6-0</b></p>
<p><b>8. Status Report related to the potential sale, development, construction, equipping and /or operation of a project on (a) 450 N. Main, (b) Block 174, and (c) Block 175, and request for resolution related thereto; which may include formally ratifying the direction previously given to legal counsel. Pursuant to Arizona Revised Statutes Section 38-431.03(A)(1)(3) and/or (4), the Authority may vote to recess and meet in Executive Session for discussion or consultation with and to provide direction to the Authority’s legal counsel about this item. Any action taken by the Authority regarding this matter will be taken in open meeting session (either at this meeting or later) after the adjournment of the Executive Session.</b></p>	<p>No action taken</p>
<p><b>9. Status report related to relationship with Sage Tax Appeals and request for resolution related thereto.</b></p>	<p>A <b>MOTION</b> was made and seconded (S. Barton / N. Eckel) to approve the Fee Agreement with Sage Tax Appeals and Agency Authorization Form for review/assessment of the Authority’s <b>3</b> properties for the <b>2021</b> tax year. <b>Approved 5-0 (1 non-voting)</b></p>
<p><b>10. Staff Reports: Monthly Staff Report for the month ending October 31, 2019</b></p> <ul style="list-style-type: none"> <li>a. <b>General Operations of the Authority:</b> <ul style="list-style-type: none"> <li>i. <b>Parking Lot Financial Statements prepared by Pueblo Parking Systems, LLC (“PPS”).</b></li> <li>ii. <b>Bond Borrower’s payment of Administrative Fees.</b></li> <li>iii. <b>Cash Management.</b></li> <li>iv. <b>Loan Servicing.</b></li> <li>v. <b>Loan Origination.</b></li> </ul> </li> <li>b. <b>Outstanding Single-Family Programs:</b></li> </ul>	<p>It was the consensus of the Authority to reduce the <b>2020</b> Mortgage Credit Certificate Program Fee to <b>\$500</b>; MCC Annual Fee <b>\$100</b>.</p>

<p>i. <b>\$40,000,000</b> The Industrial Development Authority of the County of Pima and The Industrial Development Authority of the City of Tucson, Arizona Revolving Taxable Single Family Mortgage Loan Program of 2012 (the “Pima/Tucson Homebuyers Solution Program” or “PTHS Program”) - commenced on December 17, 2012 and unless extended expires on December 31, 2020 – more than \$610,600,000 in mortgage-backed securities sold with more than \$25,000,000 of down payment assistance granted to homebuyers.</p> <p>ii. The Industrial Development Authority of the City of Tucson, Arizona The Industrial Development Authority of the County of Pima Tucson P2P Program (the “Tucson P2P Program”) – Phase II commenced on August 1, 2018 and unless extended expires on December 31, 2020 – more than \$307,745,000 in mortgage-backed securities sold (1<sup>st</sup> sales in October 2016) with more than \$30,000,000 of down payment assistance granted to homebuyers and over \$6,200,000 deposited into the Tucson Rapid Rehousing Fund.</p> <p>iii. <b>\$9,375,000</b> The Industrial Development Authority of the City of Tucson, Arizona Single Family Mortgage Credit Certificate Program of 2017- January 3, 2017 – Origination Period expires December 31, 2019 more than 52 issued aggregating to over \$7,948,063.</p> <p>iv. The 7% 2<sup>nd</sup> Mortgage Loans originated in connection with:</p> <p style="padding-left: 40px;">A. Series 2006 (Joint) - \$30,475,000 – 1<sup>st</sup> Mortgage Loan Interest Rate 5.97% - 2016 Final Redemption of all Bonds - approximately \$117,000 in 2<sup>nd</sup> Mortgage Loans are outstanding).</p> <p style="padding-left: 40px;">B. Series 2007A (Joint) - \$23,400,000 - 1<sup>st</sup> Mortgage Loan Interest Rate 5.69% - 2016 Final Redemption of all Bonds - approximately \$139,700 in 2<sup>nd</sup> Mortgage Loans are outstanding).</p>	
<p><b>11. Call to the Public</b></p>	<p>No action taken</p>
<p><b>12. Adjourn</b></p>	<p>A <b>MOTION</b> was made and seconded (J. Clinco / S. Barton) to adjourn the meeting at <b>4:00 p.m. Approved 7-0</b></p>

Submitted by:  
**Karen J. Valdez**  
 BDFC Advisor Services, LLC

Approved by:  
**Larry Lucero, President**  
 The Industrial Development Authority of the  
 City of Tucson, Arizona