



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

**Regular Meeting**  
Thursday, January 16, 2020  
2:30 p.m.

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

**Legal Action Report**

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| <b>Present: Board Members</b> | Larry Lucero<br>Neal Eckel<br>Judy Clinco – via teleconference<br>Mimi Noshay-Petro<br>Sandra Barton<br>Meredith Aronson – arrived at 2:53 p.m.<br>Patricia Schwabe – arrived 2:35 p.m. |
| <b>Advisors</b>               | Charles Lotzar, Lotzar Law Firm, PC<br>Gary Molenda, BDFC Advisor Services, LLC<br>Karen Valdez, BDFC Advisor Services, LLC   |
| <b>Guests</b>                 | Mike Czechowski, City of Tucson<br>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 **January 6, 2020**, 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
<b>1. Call to Order</b>	The meeting was called to order at <b>2:34 p.m.</b>
<b>2. Request for resolution to approve the Minutes of the Regular Meeting of November 21, 2019.</b>	A <b>MOTION</b> was made and seconded (M. Petro / S. Barton) to approve the minutes of the <b>December 19, 2019</b> Regular Meeting as presented. <b>Approved 5-0</b>
<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.</b>	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. Urban Land Institute (“ULI”) Trends Day 2020 – February 26, 2020 – JW Marriott Desert Ridge, 5350 E. Marriott Drive, Phoenix, Arizona 85054</li> <li>b. 2020 NALHFA Annual Conference – May 6 – 9, 2020 – New York Hilton Midtown, New York, NY</li> </ul>	<p>No action taken</p>
<p><b>6. Status report concerning recommendation from the Loan Review Committee concerning a request from Business Development Corporation (“BDFC”) for participation in a loan with BDFC in an amount not to exceed \$137,500 related to BDFC’s loan to Bestway Electric Motor Service, Inc. for its business to be operated at 728 S. Campbell, Tucson, AZ 85719, and request for resolution for all actions related thereto.</b></p>	<p>A <b>MOTION</b> was made and seconded (S. Barton / M. Aronson) to approve participation in a loan with BDFC in an amount not to exceed <b>\$137,500</b> related to BDFC’s loan to Bestway Electric Motor Service, Inc. as presented. <b>Approved 7-0.</b></p>
<p><b>7. Status report and review of website development and request for resolution related thereto.</b></p>	<p>No action taken</p>
<p><b>8. Status report to potential Arizona legislation regarding the Industrial Development finance Act and Private Activity Bonding Allocation Act and request for resolution related thereto. 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 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>A <b>MOTION</b> was made and seconded (P. Schwabe / S. Barton) to approve the extension of the Staging Area License Agreement through <b>March, 2020. Approved 6-0</b> (N. Eckel out of the room)</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. Parking Lot Financial Statements prepared by Pueblo Parking Systems, LLC (“PPS”).</li> <li>ii. Bond Borrower’s payment of Administrative Fees.</li> <li>iii. Cash Management.</li> <li>iv. Loan Servicing.</li> <li>v. Loan Origination.</li> </ul> </li> <li>b. <b>Outstanding Single-Family Programs:</b> <ul style="list-style-type: none"> <li>i. \$40,000,000 The Industrial Development Authority of the County of Pima and The Industrial Development Authority of the City of Tucson, Arizona Revolving</li> </ul> </li> </ul>	<p>No action taken</p>

<p>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 \$613,310,000 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 \$340,000,000 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. \$9,375,000 The Industrial Development Authority of the City of Tucson, Arizona Single Family Mortgage Credit Certificate Program of 2020- January 2, 2020 – Origination Period expires December 31, 2022.</p> <p>iv. The 7% 2<sup>nd</sup> Mortgage Loans originated in connection with:</p> <p>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>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>11. Call to the Public</p>	<p>No action taken</p>
<p>12. Adjourn</p>	<p>A <b>MOTION</b> was made and seconded (M. Petro / S. Barton) to adjourn the meeting at <b>4:13 p.m.</b> <b>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