



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

**Special Meeting
Wednesday, March 25, 2020
3:00 p.m.**

Business Development Finance Corporation
333 N. Wilmot Road, Suite 227
Tucson, Arizona 85711

**Conference call 520.623.3377 extension 5 and then dial 1342#
Legal Action Report**

- Present: Board Members**
- Larry Lucero
 - Judy Clinco
 - Mimi Noshay-Petro
 - Meredith Aronson
 - Neal Eckel
 - Sandra Barton
 - Patricia Schwabe
- Advisors**
- Charles Lotzar, Lotzar Law Firm, PC
 - Gary Molenda, BDFC Advisor Services, LLC
 - Karen Valdez, BDFC Advisor Services, LLC
- Guests**
- Barbara Coffee, City of Tucson
 - Kevin Burke, City of Tucson
 - Elaine Becker, City of Tucson

Due to the impacts of the COVID-19 pandemic, which have prompted declarations of a public health emergency at both the state and federal levels, this meeting was conducted using measures to protect public health. The Special Meeting of the Board of Directors of The Industrial Development Authority of the City of Tucson, Arizona (the “**Authority**”) was held on **March 25, 2020**, remotely through telephone conference call, as permitted under Arizona law. All Authority’s Board Members and the general public were duly notified of the meeting. Members of the public were not allowed to attend the Special Meeting in person but were invited to attend and listen by phone. The Special Meeting did not include any items for public comment. 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 3:00 p.m.
2. Request for resolution to approve the Minutes of the Regular Meeting of February 20, 2020.	A MOTION was made and seconded (J. Clinco / M. Petro) to approve the minutes of the February 20, 2020 Regular Meeting as presented. Approved 7-0
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 MOTION was made and seconded (N. Eckel / S. Barton) to approve payment of invoices, as presented. Approved 7-0

<p>4. Status report related to Urban Land Institute (ULI) and request for resolution related to ULI membership.</p>	<p>A MOTION was made and seconded (P. Schwabe / M. Petro) to approve Urban Land Institute (“ULI”) Membership under the Public Agency Package and include each additional Board Member as an Associate Member. Approved 7-0</p>
<p>5. Status report from the Liaison to City of Tucson, Arizona City Manager’s Office related to:</p> <ul style="list-style-type: none"> a. The City’s Economic Development Prospect list. b. The City’s use of Economic Development tools. c. Opportunity Zones. e. Current items of interest. 	<p>No action taken</p>
<p>6. 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:</p> <ul style="list-style-type: none"> a. Rio Nuevo – El Presidio Project for Public Spaces. b. Thrive in the ‘05 	<p>No action taken</p>
<p>7. Status report related to the Authority’s Loan Review Committee related to the terms and conditions associated with Participation in a loan with Business Development Finance Corporation (“BDFC”) in an amount not to exceed \$55,000 related to Pueblo Vida Brewing Co., LLC for its business to be operated at 115 E. Broadway, Tucson, Arizona 85701 and request for resolution related thereto.</p>	<p>No action taken</p>
<p>8. Review and request for recommendation to the Board of Directors of the Authority concerning a request from Business Development Finance Corporation (“BDFC”) for participation in a loan with BDFC in an amount not to exceed \$125,000 related to BDFC’s loan to Bear Canyon Pizza Company, for its business to be operated at 8995 E. Tanque Verde Road, Tucson, AZ 85749.</p>	<p>No action taken</p>
<p>9. Status report related to related to the Authority’s Small Business Lending Program and request for resolution acknowledging the role of Business Development Finance Corporation (“BDFC”) and BDFC’s power to restructure loans.</p>	<p>A MOTION was made and seconded (M. Petro / J. Clinco) to authorize BDFC to provide a 4 month deferment to any business loan and borrower impacted by the COVID-19 pandemic, where BDFC is the lead-lender and loan servicer and Tucson IDA is the participating lender. Approved 7-0</p>
<p>10. Status report related to related to the Business Development Finance Corporation (“BDFC”), the United States Small Business Administration’s (“SBA”) COVID 19 Disaster Program and request for resolution to invest up to \$500,000 for a loan program in participation with BDFC and /or SBA.</p>	<p>A MOTION was made and seconded (M. Aronson / J. Clinco) to authorize investment of \$500,000 for a loan program in participation with BDFC, and grant authority to the Tucson IDA President to negotiate the rate and terms of the proposed loan. Approved 7-0</p>
<p>11. Status report related to the Authority’s Strategic Planning Committee and request for resolution related thereto.</p>	<p>No action taken</p>

<p>12. Status report to potential Arizona legislation regarding the Industrial Development finance Act and Private Activity Bonding Allocation Act and request for resolution related thereto.</p>	<p>No action taken</p>
<p>13. 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.</p>	<p>No action taken</p>
<p>14. Status Report related to 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 (“Pima/Tucson Homebuyers Solution Program”) the “Pathway to Purchase Program” within the Pima/Tucson Homebuyers Solution Program and request for resolution related to proposed improvements or modifications to the Program including additional marketing efforts.</p>	<p>No action taken</p>
<p>15. Staff Reports: Monthly Staff Report for the month ending February 29, 2020.</p> <p>a. General Operations of the Authority:</p> <ul style="list-style-type: none"> i. Parking Lot Financial Statements prepared by Pueblo Parking Systems, LLC (“PPS”). ii. Bond Borrower’s payment of Administrative Fees. iii. Cash Management. iv. Loan Servicing. v. Loan Origination. <p>b. Outstanding Single-Family Programs:</p> <ul style="list-style-type: none"> 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 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 \$617,075,000 in mortgage-backed securities sold with more than \$26,118,000 of down payment assistance granted to homebuyers. 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 (1st 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. 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. iv. The 7% 2nd Mortgage Loans originated in connection with: <ul style="list-style-type: none"> A. Series 2006 (Joint) - \$30,475,000 – 1st Mortgage Loan Interest Rate 5.97% - 2016 Final Redemption of all Bonds - 	<p>No action taken</p>

<p>approximately \$117,000 in 2nd Mortgage Loans are outstanding).</p> <p>B. Series 2007A (Joint) - \$23,400,000 - 1st Mortgage Loan Interest Rate 5.69% - 2016 Final Redemption of all Bonds - approximately \$139,700 in 2nd Mortgage Loans are outstanding).</p>	
<p>16. Adjourn</p>	<p>A MOTION was made and seconded (N. Eckel / M. Petro) to adjourn the meeting at 4:52 p.m. Motion carried</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