



# The Industrial Development Authority of the City of Tucson

## 2019 Annual Report

The Industrial Development Authority of the City of Tucson, Arizona (the “**Tucson IDA**”) is a nonprofit corporation, which has been designated by statute as a political subdivision of the State of Arizona. Tucson IDA receives no public funds, grant support or donations from any source, operating solely on revenues generated from its business activities. Its mission includes (a) issuing private activity bonds for qualified borrowers, (b) assisting single family homebuyers through down payment assistance programs and mortgage credit certificate programs, (c) providing mortgage products to qualified homebuyers, and (d) providing direct loans for community development projects within the boundaries of the City of Tucson (the “**City**”).

### LOAN ACTIVITY

#### ➤ COMMUNITY LOAN FUND:

During **2019**, the Industrial Development Authority of the City of Tucson (Tucson IDA) provided **\$432,500** in loans to five (5) local businesses, all in participation with Business Development Finance Corporation (“BDFC”). Total loans outstanding, as of **December 31, 2019: 21** with a total loan balance of **\$1,813,953.74**.

*\*In total, from 1984 through December 31, 2019 the Tucson IDA has provided **\$5,623,443.93** in loans to **57** local businesses and non-profit organizations of which **\$3,034,883** was lent to projects located in, or adjacent to, the City's downtown.*

#### ➤ PRIVATE ACTIVITY BOND FINANCING:

During **2019**, the Tucson IDA issued The Industrial Development Authority of the City of Tucson, Tax-Exempt Lease Revenue Refunding Bonds (University of Arizona/Marshall Foundation Project), Series **2019A** and Tax-Exempt Lease Revenue Refunding Bonds (University of Arizona/Marshall Foundation Project) Series **2019B**.

*\* From 1984 through December 31, 2019 TIDA has provided **\$689,933,933** in Private Activity Bond financing of which **\$66,150,000** was issued to projects located in, or adjacent to, the City's downtown.*

### Single Family Down Payment Assistance Programs:

**1) Pima Tucson Homebuyer’s Solution Program** - Qualifying borrower receives a **30** year, fixed rate, fully amortizing first mortgage loan together with down payment and/or closing cost assistance of **3%, 4%, 5%, or 6%** of the funded Mortgage Loan amount.

January 1, 2019 through December 31, 2019	
Total Loan Count	293
Total Loan Amount	\$51,527,038.00
Avg. Annual Income	\$62,216.33
Avg. Loan Amount	\$160,740.57

*\*From 1/1/2013 to 12/31/2019 this Joint Program between the Industrial Development Authorities of the City of Tucson and the County of Pima, made **\$621,435,766** available for single family mortgages and approximately **\$24,857,431** in down payment assistance for income-qualified homebuyers. From inception (**December 2012**) through 12/31/2019, this made it possible for **4,314** local low-moderate income homebuyers to become homeowners.*

**2) Tucson Pathway to Purchase Program (“P2P”) - Tucson P2P Program** - In agreement with the Arizona Department of Housing (ADOH), acting with the Arizona Home Foreclosure Prevention Funding Corporation (AHPFPC), to provide down payment assistance to qualified homebuyers purchasing a primary residence **within designated zip codes**. The assistance is an incentive to purchase in targeted housing markets that have been hardest-hit by foreclosures. Qualifying borrower receives a **30** year, fixed rate, fully amortizing first mortgage loan together with down payment assistance equal to **10%** of the final purchase price, up to **\$20,000**, in the form of a **2<sup>nd</sup>** mortgage with **\$0** payments and **0%** interest that is fully forgivable after **5** years.

January 1, 2019 through December 31, 2019	
Total 1st Mortgage Loan Amount	\$98,218,811.00
<b>Down Payment Assistance:</b>	
Total 2nd Mortgage Loan Amount	\$10,804,069.21
Total Loan Count	596
Average Annual Income	\$52,806.54
Average Loan Amount	\$162,396.62

*\*From 7/18/2016 to 12/31/2019 this Joint Program between the Industrial Development Authorities of the City of Tucson and the County of Pima (together “the Authorities”), made **\$357,089,098** available for single family mortgages and **\$34,900,000** in down payment assistance for income-qualified homebuyers. This made it possible for **2,383** local low-moderate income homebuyers to become homeowners.  
 \*\* **\$6,887,326** of Tucson P2P fees earned by the Authorities were deposited into the Arizona Housing Trust Fund for the benefit of the Tucson Pima Rapid Rehousing Fund (as of 12/31/2019).*

**3) 2017 Single Family Mortgage Credit Certificate Program (“MCC”)** - available to qualifying first-time homebuyers, the MCC is designed to reduce the homebuyer’s federal income tax liability by providing a dollar-for-dollar federal tax credit equal to **40%** (up to **\$2,000**) of the annual interest paid on a home mortgage. The homebuyer receives this benefit every year for as long as they remain in the home purchased. During **2019**, twenty-three (**23**) first-time homebuyers obtained a Mortgage Credit Certificate.

Program Activity 1/1/2019 to 12/31/2019				Female HH
MCC's issued:	11	Asian	1	1
Average Household Size:	1.82	African Am		
Average Household Income:	\$45,939.72	Hispanic	3	
Average Loan Amount:	\$161,384.91	White	5	
Average Purchase Price:	\$176,896.82	Am. Indian		
At or below 80% AMI	72.73%	Other	2	

**2017 Mortgage Credit Certificate Program Non-Issued Bond Amount: \$9,375,000.00**  
 Total 2017 MCC Amount issued 1/1/17 to 12/31/17: **\$2,564,458.00**  
 Total 2017 MCC Amount issued 1/1/18 to 12/31/18: **\$3,608,371.00**  
 Total 2017 MCC Amount issued 1/1/19 to 12/31/19: **\$1,775,234.00**

**2017 Mortgage Credit Certificate Program Balance Remaining: \$1,426,937.00**

*\*2017 MCC Program Origination Period: 1/1/2017 to 12/31/2019; From 7/1/2017 through 12/31/2019 the Tucson IDA issued 53 Mortgage Credit Certificates to qualifying first time homebuyers.*