



**NOTICE OF PUBLIC MEETING
THE INDUSTRIAL DEVELOPMENT AUTHORITY
OF THE CITY OF PHOENIX, ARIZONA
BOARD OF DIRECTORS**

Pursuant to A.R.S. Section 38-431.02, notice is hereby given to the members of **THE INDUSTRIAL DEVELOPMENT AUTHORITY OF THE CITY OF PHOENIX, ARIZONA, BOARD OF DIRECTORS**, and to the general public, that **THE INDUSTRIAL DEVELOPMENT AUTHORITY OF THE CITY OF PHOENIX, ARIZONA, BOARD OF DIRECTORS** will hold a meeting open to the public on **Thursday, February 15, 2018 at 3:30 pm** located at **Phoenix City Hall, 200 W. Washington Street, 20th Floor East Conference Room, Phoenix, Arizona.**

One or more board members may participate via teleconference.

The agenda for the meeting is as follows:

Call to Order

1. Approval of Meeting Minutes.

- a. January 18, 2018 – Regular Session
- b. January 18, 2018 – Executive Session

2. Student Housing Revenue and Refunding Revenue Bonds (Downtown Phoenix Student Housing, LLC – Arizona State University Project), Series 2018. Presentation, discussion, and possible action to approve the issuance of Student Housing Revenue and Refunding Revenue Bonds (Downtown Phoenix Student Housing, LLC – Arizona State University Project), Series 2018, to be issued in one or more tax-exempt and/or taxable series in an aggregate principal amount not to exceed \$130,000,000.

3. Trellis. Presentation, discussion and possible action to approve financial support for Trellis.

4. Chairman’s Report.

5. Call to the Public. Comments will be limited to two minutes.

Adjournment

For reasonable accommodations, please call Lydia Lee at Voice/602-534-9655 or TTY: use 7-1-1, as early as possible to coordinate needed arrangements.

Date Posted: February 13, 2018

Item 1

**MINUTES OF PUBLIC MEETING
THE INDUSTRIAL DEVELOPMENT AUTHORITY
OF THE CITY OF PHOENIX, ARIZONA
BOARD OF DIRECTORS**

January 18, 2018

A public meeting of the Board of Directors of The Industrial Development Authority of the City of Phoenix, Arizona (the “Phoenix IDA”) was convened on Thursday, January 18, 2018 at 3:30 p.m., at Phoenix City Hall, 200 W. Washington Street, 20th Floor, East Conference Room, Phoenix, Arizona.

Board Members present:

Mr. David Lujan
Ms. Nicole Ong Colyer (*telephonic*)
Ms. Darcy Renfro (*telephonic*)
Mr. Sal Rivera
Mr. Lawrence Robinson (*telephonic*)
Ms. Barbara Ryan Thompson (*telephonic*)
Ms. Charlene Tarver

Board Members absent:

Mr. Bruce Mosby
Ms. Christa Severns

Also present for all or portions of the meeting were:

Mr. James Barham, Phoenix IDA
Dr. Javier Cardenas, Arizona School for the Arts
Ms. Jennifer Demoney, Phoenix IDA
Ms. Gina Flores, Phoenix IDA
Ms. Leah Fregulia, Arizona School for the Arts
Ms. Lydia Lee, Phoenix IDA
Mr. James Lincoln, Arizona Community Foundation
Mr. Paul Magallanez, Phoenix IDA
Mr. C.W. Ross, Fennemore Craig, P.C.
Mr. Juan Salgado, Phoenix IDA
Mr. Mike Santellanes, Phoenix IDA

Any member of the public that was present during the meeting was able to hear all discussions and actions taken by Board Members that were present, in person and over the phone, via a teleconferencing phone system.

Director Rivera called the Board meeting to order at 3:40 p.m. A quorum was noted.

ITEM 1: Approval of Meeting Minutes.

Meeting minutes for the December 14, 2017 Board of Directors regular session were presented for approval. Director Lujan moved to approve the minutes. Director Tarver seconded the motion. **Motion carried unanimously.**

ITEM 2: 207 East McDowell Road Property.

Mr. Salgado introduced the item and provided background on the property being discussed. He then introduced Ms. Fregulia and invited her to brief the Board members.

The Board was given a presentation by Ms. Fregulia on the Arizona School for the Arts and purpose for the potential purchase of 207 East McDowell Road property, currently owned by the Phoenix IDA.

Discussion ensued.

Director Tarver inquired about low-income families and if they have programs at no cost. She also inquired about the current recruiting efforts. Ms. Fregulia shared that there are opportunities for low-income students and recruiting efforts are far reaching which attracts a large demographic of students.

Director Lujan asked if there are plans to do any renovation on the building. Ms. Fregulia shared that this research process has already begun and would involve a capital campaign at some point.

Director Rivera inquired who are the current potential partners and what progress has been made to secure those partners. Ms. Fregulia shared that those efforts are lining up and by all indications will begin once the commitment for the building has been secured.

Ms. Fregulia introduced Dr. Javier Cardenas, a board member of the Arizona School for the Arts, who expressed his passion for the school, its programs and the impact it has had on the city of Phoenix. Dr. Cardenas thanked the Phoenix IDA board for the opportunity to share the plans to expand the school with this potential purchase of the property.

Director Rivera requested a motion to go into executive session for Item 2. Motion was made by Director Tarver and seconded by Director Lujan to move into Executive Session.

Executive session convened at 4:06 p.m.

Regular session reconvened at 4:34 p.m.

ITEM 3: Marines, Army, Navy, Air Force (MANA) House Loan Participation.

Mr. Barham introduced the item and requested Mr. Magallanez brief the Board on the potential action, seeking approval for a loan participation in the amount of \$500,000, as reflected in the Phoenix IDA's records for this meeting (available upon request).

Mr. Magallanez briefed the Board on the Marines, Army, Navy, Airforce (MANA) House loan, noting Phoenix IDA would be participating with the Arizona Community Foundation (ACF) and Phoenix Community Development and Investment Corporation (PCDIC), in equal amounts of funding, totaling \$1,500,000. This project is supported by Catholic Charities and is projected to open in late 2018 after renovations are completed.

Mr. Magallanez introduced Mr. Lincoln who shared a floor plan of the MANA House facility, providing details of the renovations, current and developing programs to be offered.

Discussion ensued.

Director Tarver inquired about the gender of individuals that will be staying at MANA House. Mr. Lincoln shared it is a residential facility for men.

Director Ong Colyer respectfully abstained from voting, due to prior legal connections relating to the sale of this property. Director Rivera acknowledged.

Director Lujan moved to approve **Resolution 2018-01** as recommended by the executive director and legal counsel to the Phoenix IDA. Director Tarver seconded the motion. (**Motion carried with six Directors voting**). A copy of Resolution 2018-01 is attached hereto, and by this reference is made a part hereof.

ITEM 4: Chairman's Report.

Mr. Salgado referred Board members to the Chairman's report, as reflected in the Phoenix IDA's records for this meeting (available upon request).

This report was for information only. No action was taken.

ITEM 5: Call to the Public.

Director Rivera made a call to the public. There were no comments.

With no further business to come before the Board, being duly moved and seconded, the Board meeting was adjourned at 4:46 p.m.

Item 2



MEMORANDUM

DATE: February 15, 2018

TO: Members, Board of Directors

FROM: Juan Salgado, Chief Executive Officer

SUBJECT: Student Housing Revenue and Refunding Revenue Bonds (Downtown Phoenix Student Housing, LLC – Arizona State University Project), Series 2018

BACKGROUND

In September and October 2007, the Phoenix IDA issued \$142,525,000 of its revenue bonds to Downtown Phoenix Student Housing, LLC, an Arizona limited liability company (the “Borrower”), whose single member is Community Finance Corporation, an Arizona nonprofit corporation. The bond proceeds were used to finance a student housing project known as Taylor Place (the “Project”).

A portion of the bonds have been paid off, and other portions have been paid down since the 2007 issuance of the bonds. The Borrower now wishes to refund/refinance a part of the outstanding principal amount of the bonds and thus is seeking Board approval for the issuance of the Phoenix IDA’s subject Student Housing Revenue and Refunding Bonds (the “Bonds”), in an aggregate principal amount not to exceed \$130,000,000. The Borrower will seek Phoenix City Council approval on March 7, 2018, pending Phoenix IDA Board approval.

THE PROJECT

The 2007 bond proceeds were used to finance the costs of acquiring, constructing, furnishing, and equipping the 1,284-bed Project that now serves a portion of the student population attending classes at the Downtown Phoenix Campus of Arizona State University.

The Project is located at located at 120 East Taylor Street in Phoenix (on the northeast corner of 1st and Taylor Streets, within Phoenix City Council District 7, represented by Councilman Michael Nowakowski.

PLAN OF FINANCING

According to the Borrower, the Bonds will be issued in series as determined by the underwriter, Raymond James & Associates, Inc. The maturity of the longest series will be no more than 40 years. It is expected that the Bonds will be sold in a public offering at then prevailing market rates. The Borrower expects to complete the transaction by March 2018.

RECOMMENDATION

Kutak Rock, as legal advisor to the Phoenix IDA, and I recommend that approval be granted subject to the terms and conditions contained in the Board approval resolution, as reviewed by same.

RESOLUTION NO. 2018-02

A RESOLUTION GRANTING FINAL APPROVAL FOR THE ISSUANCE OF STUDENT HOUSING REVENUE AND REFUNDING REVENUE BONDS (DOWNTOWN PHOENIX STUDENT HOUSING, LLC – ARIZONA STATE UNIVERSITY PROJECT), SERIES 2018, OF THE INDUSTRIAL DEVELOPMENT AUTHORITY OF THE CITY OF PHOENIX, ARIZONA, TO BE ISSUED IN ONE OR MORE TAX-EXEMPT AND/OR TAXABLE SERIES IN AN AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED \$130,000,000 (TOGETHER, THE “BONDS”) TO REFINANCE A PROJECT FOR THE BENEFIT OF DOWNTOWN PHOENIX STUDENT HOUSING, LLC, AN ARIZONA LIMITED LIABILITY COMPANY, WHOSE SINGLE MEMBER IS COMMUNITY FINANCE CORPORATION, A NONPROFIT CORPORATION; AUTHORIZING THE EXECUTION AND DELIVERY OF A FIRST SUPPLEMENT TO TRUST AGREEMENT, AN AMENDED AND RESTATED LOAN AGREEMENT, A BOND PURCHASE AGREEMENT, A PRELIMINARY OFFICIAL STATEMENT, AND OTHER DOCUMENTS REQUIRED IN CONNECTION WITH THE ISSUANCE, SALE AND DELIVERY OF THE BONDS; APPROVING THE TERMS OF SUCH DOCUMENTS AND RELATED DOCUMENTS TO BE EXECUTED BY THE INDUSTRIAL DEVELOPMENT AUTHORITY OF THE CITY OF PHOENIX, ARIZONA; RATIFYING CERTAIN ACTIONS HERETOFORE TAKEN IN CONNECTION WITH THE BONDS; AND AUTHORIZING OTHER ACTIONS NECESSARY IN CONNECTION WITH THE ISSUANCE OF THE BONDS

WHEREAS, The Industrial Development Authority of the City of Phoenix, Arizona (the “Authority”), is an Arizona nonprofit corporation designated as a political subdivision of the State of Arizona (the “State”) empowered under the Industrial Development Financing Act, A.R.S. §§ 35-701 through 761 inclusive, as amended (the “Act”), to issue industrial development revenue bonds for the purposes set forth in the Act, including the making of secured and unsecured loans for the purpose of financing and/or refinancing the acquisition, rehabilitation, improvement or equipping of a “project” (as defined in the Act) whenever the Board of Directors of the Authority (the “Board”) finds such loans to be in furtherance of the purposes of the Authority or in the public interest; and

WHEREAS, the term “project” includes within its meaning under the Act any land, any building or other improvements, and all real and personal properties which are suitable for any “facilities owned or operated by a nonprofit organization described in Section 501(c) of the United States Internal Revenue Code of 1986” (as amended, the “Code”); and

WHEREAS, Downtown Phoenix Student Housing, LLC, an Arizona limited liability company (together with its assignees and designees, the “Borrower”), whose single member is Community Finance Corporation, an Arizona nonprofit corporation and an organization described in Section 501(c)(3) of the Code, requests the Authority to issue its Student Housing Revenue and Refunding Revenue Bonds (Downtown Phoenix Student Housing, LLC – Arizona State University

Project), Series 2018 in one or more tax-exempt and/or taxable series in an aggregate principal amount not to exceed \$130,000,000 and loan the proceeds thereof to the Borrower to (a) refund all outstanding maturities of the Authority's Student Housing Revenue Bonds (Downtown Phoenix Student Housing, LLC – Arizona State University Project), Series 2007A and Student Housing Revenue Bonds (Downtown Phoenix Student Housing, LLC – Arizona State University Project), Series 2007C, in order to refinance a portion of the acquisition, construction, furnishing, and equipping of an approximately 1,284-bed student housing facility and related facilities located on the campus of Arizona State University at 120 East Taylor Street, Phoenix, Arizona 85004, (b) fund any required reserve funds, and (c) pay costs and expenses incurred in connection therewith (collectively, the "Project"), all in accordance with the Act; and

WHEREAS, at the request of the Borrower, the Bonds will be sold to Raymond James & Associates, Inc., Citigroup Global Markets Inc., and Goldman Sachs & Co. LLC, as underwriters (collectively, the "Underwriters"), pursuant to a purchase contract (the "Bond Purchase Agreement"), among the Authority, the Borrower and the Underwriters, and the Underwriters will distribute to investors a Preliminary Official Statement (the "Preliminary Official Statement"), which, together with certain changes thereto, will become the final Official Statement, relating to the Bonds and describing the transaction; and

WHEREAS, there have been prepared and presented to the Chief Executive Officer of the Authority the proposed, substantially final forms of the following documents (collectively, the "Documents"):

- (1) the form of First Supplement to Trust Indenture (the "First Supplement"), supplementing and amending the Trust Indenture, dated as of September 1, 2007 (the "Original Indenture", and together with the First Supplement, the "Indenture"), to be entered into by and between the Authority and The Bank of New York Mellon Trust Company, N.A., as bond trustee (the "Trustee");
- (2) the form of Amended and Restated Loan Agreement (the "Loan Agreement") to be entered into by and between the Authority and the Borrower;
- (3) the form of Bond Purchase Agreement; and
- (4) the form of Preliminary Official Statement.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of The Industrial Development Authority of the City of Phoenix, Arizona as follows:

Section 1. The Board of Directors finds and determines that the issuance of the Bonds and the making of a loan to the Borrower for the purpose of financing and/or refinancing the Project and the costs and expenses incidental thereto are in furtherance of the purposes of the Authority under the Act and is in the public interest and the Project will constitute a "project" within the meaning of the Act.

Section 2. The Bonds, which shall be named as set forth herein or as otherwise set forth in the First Supplement, are hereby approved and authorized to be issued pursuant to a plan of finance in one or more tax-exempt and/or taxable series in an aggregate principal amount not to

exceed \$130,000,000, to be dated, to mature (no later than 40 years after their date of issuance), to bear interest (not in any event to exceed 12% per year), to be subject to redemption, to be payable as to principal, interest and premium, and with such other terms, all as provided in the Indenture. This approval is subject to the following terms and conditions:

2.1 If a series of Bonds has not received a rating of “BBB-” or better (or an equivalent rating) from a nationally recognized bond rating agency, each purchaser of such series of Bonds shall execute and deliver an investor acknowledgement letter in form and substance satisfactory to the Authority and its counsel setting forth, *inter alia*, eligibility requirements for any purchaser and restrictions on the transfer of such series of Bonds; provided, however, the provisions of this paragraph may be waived by the Authority in its sole discretion prior to the issuance of the Bonds;

2.2 Notice regarding the issuance of the Bonds is given to the Arizona Attorney General in the manner contemplated by Section 35-721(F) of the Act and, within ten days of such notice, the Arizona Attorney General does not issue an opinion indicating that the project to be financed does not come within the purview of the Act;

2.3 All agreements, certificates, documents, or instruments requiring the execution or consent of the Authority are in a form and substance acceptable to the Authority’s counsel;

2.4 The Authority receives such opinions, certificates, comfort letters and consent letters in connection with the Bonds as the Authority’s counsel may deem necessary or appropriate, in form and substance satisfactory to the Authority’s counsel and advisors;

2.5 The proceedings under which the Bonds are to be issued have been approved by the Council of the City of Phoenix, Arizona;

2.6 The Authority, its officers, directors, employees, agents and its Chief Executive Officer and the City of Phoenix, Arizona (the “City”) are provided with full indemnification in connection with the issuance and sale of the Bonds, in form and substance satisfactory to the Authority’s counsel, from a credit-worthy source; and

2.7 The Borrower agrees to make arrangements mutually satisfactory to the Authority as to the payment of the Authority’s closing fees, annual administrative fees, and expenses, the terms and conditions of which will be incorporated into the Documents executed in connection herewith.

Section 3. The Bonds shall be payable solely from the receipts and revenues received by or on behalf of the Authority pursuant to the Indenture. Nothing contained in (a) this Resolution, (b) the Documents, or (c) any other agreement, certificate, document, or instrument executed in connection with the issuance of any of the Bonds shall be construed as obligating the Authority (except as a special limited obligation to the extent provided in such documents or instruments) or obligating the City or the State to pay the principal of or premium, if any, or interest on the Bonds, or as incurring a charge upon the general credit of the Authority, the City or the State, nor shall the breach of any agreement contemplated by this Resolution, the Documents, or any other

instrument or documents executed in connection herewith or therewith impose any charge upon the general credit of the Authority, the City or the State. The Authority has no taxing power.

Prior to the issuance of the Bonds, the Authority has or will have issued, and subsequent to the issuance of the Bonds, the Authority may issue, bonds in connection with the financing of other projects (such bonds together with any bonds issued by the Authority between this date and the issuance of the Bonds shall be referred to herein as the "Other Bonds"). Any pledge, mortgage, or assignment made in connection with the Other Bonds shall be protected, and any funds pledged or assigned for payment of principal of, premium, if any, or interest on the Other Bonds shall not be used for the payment of principal of, premium, if any, or interest on the Bonds. Any pledge, mortgage, or assignment made in connection with the Bonds shall be protected, and no funds pledged or assigned for the payment of the Bonds shall be used for the payment of principal of, premium, if any, or interest on the Other Bonds.

Section 4. The forms, terms, and provisions of each of the Documents, in the forms of such Documents (including the exhibits thereto) presented to this meeting, are hereby approved, with such insertions, deletions, and changes as are approved by the officers authorized to execute the documents (which approval will be conclusively established by their execution and/or delivery thereof). Upon satisfaction of the conditions set forth in Section 2 hereof, the Authority's President, Vice President, Secretary and Treasurer (each an "Authorized Officer") are each hereby authorized individually in such offices to execute and deliver each of the Documents and any related documents necessary to effectuate the financing contemplated by this Resolution or, with respect to any of the Documents not calling for execution by the Authority, to approve and deliver such documents, with respect to any one or more series of the Bonds. From and after the execution and delivery of each of the Documents, the officers, agents, employees and Chief Executive Officer of the Authority are hereby authorized, empowered and directed to do all such acts and things and to execute all such documents, certificates and assignments as may be necessary to carry out and comply with the provisions of each of the Documents (as executed and delivered) and this Resolution.

Signature pages for any Documents requiring the Authority's signature shall be delivered to Authority's counsel no fewer than seven (7) days prior to Bond closing or any other date on which an executed signature page is required, and once executed will be held in escrow by the Authority's counsel and delivered on the closing date or on such other date on which an executed signature page is required.

Section 5. After the Bonds are delivered by the Trustee to the holders against receipt of payment therefor, this Resolution shall be and remain irrevocable until the Bonds and interest thereon shall have been fully paid, canceled, and discharged.

Section 6. Nothing contained in this Resolution, nor in any other instrument, may be considered as obligating the Authority or the City to any pecuniary liability or charge upon the general credit of the Authority or the City. Furthermore, it is understood that no costs are to be borne by the Authority with respect to the Project and the issuance and sale of the Bonds except those to be paid out of the proceeds of the Bonds, and that the Borrower will promptly reimburse the Authority for any other expenses reasonably incurred by the Authority, including the fees of its legal counsel and any financial advisor, whether or not the Bonds are issued or sold.

Section 7. In accordance with Section 147(f) of the Code, the Authority has or will publish notice of and will hold a public hearing, the results of which will be reported to the City prior to its approval of the Bonds. The officers of the Authority, each acting alone, or any representative thereof, are hereby authorized and directed to conduct such public hearing for and on behalf of the Authority.

Section 8. All actions of the officers, staff, directors, employees, agents and Chief Executive Officer of the Authority which are in conformity with the purposes and intent of this Resolution and in furtherance thereof, whether heretofore or hereafter taken, including but not limited to the engagement of Kutak Rock LLP, as the Authority's counsel, shall be and are hereby ratified, confirmed and approved. The proper officers, staff, directors, employees, agents and Chief Executive Officer of the Authority are hereby authorized and directed to do all such acts on behalf of the Authority as may be deemed necessary or desirable to carry out the terms and intent of this Resolution.

Section 9. The Chief Executive Officer of the Authority, the members of the governing body of the Authority and any director, officer, official, employee or agent of the Authority shall not be subject to any personal liability or accountability by reason of the issuance of the Bonds or execution, delivery of performance of the Documents. The liability of the Authority with respect to any document executed in connection with the transactions contemplated hereby, including the Documents, shall be limited as provided in the Act and such documents.

Section 10. Any provisions of any bylaws, orders, procedural pamphlets and resolutions of the Authority inconsistent herewith are hereby waived to the extent only of such inconsistency. This waiver shall not be construed as repealing any bylaw, order, procedural pamphlet or resolution or any part thereof.

Section 11. If any section, paragraph, clause or provision of this Resolution is for any reason held to be invalid or unenforceable, the invalidity or unenforceability of such section, paragraph, clause or provision shall not affect any of the remaining provisions of this Resolution.

Section 12. It is hereby found and determined that all formal actions of the Authority and its Board concerning and relating to the adoption of this Resolution were adopted in an open meeting and that all deliberations that resulted in those formal actions were in meetings open to the public, in compliance with all legal requirements of the State and the Authority.

Section 13. Notice of Arizona Revised Statutes Section 38-511 is hereby given. The provisions of that statute are by this reference incorporated herein to the extent of their applicability to the matters contained herein under the laws of the State.

Section 14. This Resolution is effective immediately upon its adoption.

Section 15. Neither this Resolution, any of the Documents, nor any action taken by the Authority, any member of the Board or the Authority's counsel in connection with the issuance of the Bonds is intended to provide, and shall not be construed as providing, advice of any kind to the Borrower or to the Authority with respect to the issuance of the Bonds for purposes of 15 U.S.C. Section 78o-4(e)(4)(A)(i). The Authority is a conduit issuer and none of the Authority, the

Board, or the Authority's counsel is acting or will act as a municipal advisor, financial advisor, or fiduciary to any party involved in the issuance of the Bonds.

Adopted and approved this 15th day of February, 2018.

THE INDUSTRIAL DEVELOPMENT AUTHORITY
OF THE CITY OF PHOENIX, ARIZONA

By: _____
Juan Salgado, Chief Executive Officer

Item 3



MEMORANDUM

DATE: February 15, 2018
TO: Members, Board of Directors
FROM: Juan Salgado, Chief Executive Officer
SUBJECT: Trellis

BACKGROUND

Trellis (formerly known as Neighborhood Housing Services of Phoenix) is a 42-year old nonprofit agency dedicated to making stable homes and communities possible by educating, building and lending to individuals and families looking to become homeowners. Their vision is for an Arizona where everyone has a place to call home.

Trellis was formed in 1975 with help from the City of Phoenix and NeighborWorks America (NWA), a nonprofit organization focused on community-based revitalization efforts in all 50 states. Trellis is a charter member of NWA and has consistently been rated “Exemplary” according to NWA’s rigorous review standards for programs, financial and resource management, governance, planning, operations and compliance.

Recognizing that increased homeownership rates result in an improved quality of life in the community, Trellis focuses primarily on creating new homeowners. Trellis is an Arizona mortgage bank, a real estate developer, a real estate brokerage and a HUD-approved housing counseling agency. By the end of 2017, Trellis had established 3,482 new homeowners, counseled and educated 39,826 households, built and/or rehabilitated 271 homes, and originated \$125 million in mortgage loans. Not all of Trellis’ clients are mortgage-ready. Trellis works with these clients which on occasion may take several years of financial preparation and guidance to achieve the clients goal. Between fiscal years 2012-2016, Trellis leveraged grant dollars 137:1 and created or maintained an average of 86 jobs annually.

PROGRAM DESCRIPTION

Through Trellis’ Homeownership Center, families throughout Maricopa County receive homebuyer education, housing counseling, new construction and/or acquisition rehabilitation services, realty services and access to mortgage loan programs. Trellis education workshops, offer clients a discovery session, and 1:1 financial coaching; money management and credit workshops covering the importance of good credit. In addition, rental readiness workshops, where participants must attend all classes and complete all assignments to be certified.

Trellis also provides clients with homebuyer education which covers the complete home buying process in eight hours and is available onsite and online. Housing counseling services are provided by bi-lingual, certified homeownership advisors and offer one-on-one budgeting, credit, delinquency, foreclosure intervention, refinance, anti-predatory lending and reverse mortgage counseling.

Trellis has voluntarily adopted the national industry standards for homeownership education and counseling which provides clients the opportunity to attend pre-purchase/home buying workshops, as well as seminars on resolving or preventing mortgage delinquency or default. Individuals and families who have utilized the services of Trellis have achieved tremendous success and have ultimately achieved their dream of homeownership.

REQUEST

The Arizona Community Foundation (ACF) has approached the Phoenix IDA to consider a co-grant to financially support Trellis in the amount of \$100,000 for their homeownership center for counseling/education, lending, and real estate development.

Trellis has established goals to increase revenue but has not yet reached the necessary sustainability. In the past, Trellis was the recipient of funds from programs like Neighborhood Stabilization, Neighborhood Lift, AZ Mortgage Relief Fund, National Foreclosure Mitigation Counseling and Hardest Hit Fund/Save Our Home AZ. Funding from these programs, however, is no longer available. Trellis is also taking measures to reduce total expenses with the goal of becoming self-sufficient within five years. Financial assistance from ACF and the Phoenix IDA will help Trellis with the current loss in revenue and help focus on generating a sustainable organization that is less reliant on grants/contributions.

SUPPORTERS

Trellis receives support from the following organizations: Alliance Bank (\$10,000), Bank of America (\$25,000), Bank of AZ (\$5,000), Bankers Trust (\$2,500), BBVA Compass (\$20,000), BMO Harris (\$5,000), Chase (\$223,000), Comerica (\$6,300), Desert Schools Credit Union (\$5,000), FirstBank (\$3,000), Mutual of Omaha Bank (\$5,000), National Bank of AZ (\$17,500), Nordstrom FSB (\$25,000), Northern Trust (\$10,000), State Farm (\$45,000), US Bank (\$7,500), Wells Fargo Bank (\$10,000), Board members (\$2,100) and individuals (\$7,100).

RECOMMENDATION

I recommend financial support and request the Board of Directors approve a disbursement of \$50,000 of the Phoenix IDA's Community Development Fund in support of Trellis.

Item 4



MEMORANDUM

DATE: February 15, 2018

TO: Members, Board of Directors

FROM: Sal Rivera, Chairman, Board of Directors

SUBJECT: Chairman's Report

207 E. McDowell Property - A new appraisal has been ordered and the results are expected no later than February 16, 2018. Once this information is available, staff will return to the Board with a recommended exit strategy for its consideration.

2019 AZ Legislative Session - On January 18, 2018, during the Second Regular Session of Arizona's 53rd Legislature, House Representative Travis Grantham introduced HB 2207, a proposed amendment to Arizona's open meeting law. Among other things, HB 2207 would require all public bodies, including the Phoenix IDA, to (1) produce a complete video recording of all meetings (except executive sessions), (2) post the recording on their respective websites not later than five days after the meeting, and (3) retain the recording on their respective websites for at least five years. Although current indications are that HB 2207 will not pass, Phoenix IDA staff will continue to monitor this bill, and any other proposed legislation that may impact the Phoenix IDA. At its meeting scheduled for April 25, 2018, the Communications and Government Affairs Committee will be asked to consider options for improving the Phoenix IDA's strategic communications with Arizona legislators.

Arizona 2018 MLK Believe the Dream Awards Breakfast - On Friday, January 12, 2018, the 2018 MLK breakfast, presented by PetSmart Charities, was held at the Phoenix Convention Center. The Phoenix IDA purchased a table to this annual event and hosted members of the Phoenix IDA and PCDIC Board of Directors.

The Phoenix Human Relations Commission, in collaboration with the Phoenix Equal Opportunity Department, recognizes the accomplishments of people who have made an impact on the quality of life of Phoenix residents and contributed significantly to creating a compassionate and socially just community with the Dr. Martin Luther King, Jr. Living the Dream Awards and Calvin C. Goode Lifetime Achievement Award. Director Charlene Tarver was a recipient this year of one of the prestigious Living the Dream Awards. Director Tarver has given unselfishly to many worthy causes and organizations in the Valley throughout her career. These include the Phoenix Metropolitan Chapter of the National Coalition of 100 Black Women, City of Phoenix Parks and Recreation Board, Valley Leadership Institute, Leading for a Change, and the Scottsdale Boys and Girls Clubs, to name a few. Please join me in again congratulating Director Tarver for this recognition.

2018 New Market Tax Credit Conference - Juan Salgado, Paul Magallanez, and Joseph Losada recently attended the Novogradac NMTC Conference in San Diego, CA. Paul and Joseph attended the preconference workshop entitled "NMTC 101: The Basics" which introduced various key aspects to managing an NMTC allocation. The subsequent conference provided industry updates and opportunities to meet with many industry professionals that provide services in support of an array of areas regarding NMTCs.

MANA House Loan Participation - The MANA House loan participation agreement in collaboration with the Phoenix Community & Development Corporation and Arizona Community Foundation (ACF) has been finalized. A wire transfer of \$500,000 for the Phoenix IDA's portion of the loan was delivered to ACF on January 30, 2018. A dedication for the new facility on Holly Street will be held on April 3, 2018, from 4-6 p.m.