

**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, March 9, 2017 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 Board of Director Meeting Minutes.**
  - a. February 9, 2017 Regular Session
2. **Multifamily Housing Revenue Bonds (Broadway Terrace Apartments Project), Series 2017.** Presentation, discussion, and possible action to approve the issuance of an additional principal amount not to exceed \$1,000,000 of Multifamily Housing Revenue Bonds (Broadway Terrace Apartments Project), Series 2017, originally approved to be issued in one or more tax-exempt and/or taxable series in an aggregate principal amount not to exceed \$8,000,000, which when combined with the currently requested \$1,000,000, would constitute approval of the issuance of such bonds in a combined aggregate principal amount not to exceed \$9,000,000.
3. **CodePHX.** Presentation, discussion, and possible action to approve financial assistance from the Community Development Fund of \$250,000 to support operations and marketing.
4. **Lend a Hand.** Presentation, discussion and possible action to approve the investment of up to \$70,000 from the Community Impact Fund for the Lend a Hand program.
5. **Open Meeting Law and Ethics Policy.** Presentation and discussion regarding Arizona Open Meeting Law and the Phoenix IDA's ethics policy.
6. **President's Report.**
7. **Call to the Public.**

## **7. Call to the Public.**

### **Adjournment**

For reasonable accommodations, please call Lydia Lee at Voice/602-534-9655 or TTY/602-534-5500, as early as possible to coordinate needed arrangements.

Date Posted:

Item 1

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

**February 9, 2017**

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, February 9, 2017 at 3:30 p.m., at Phoenix City Hall, 200 W. Washington Street, 20<sup>th</sup> Floor, East Conference Room, Phoenix, Arizona.

**Board Members present:**

Mr. David Lujan  
Ms. Darcy Renfro  
Mr. Sal Rivera  
Mr. Lawrence Robinson  
Ms. Christa Severns  
Ms. Charlene Tarver (*telephonic; arrived 3:40 p.m.*)

**Board Members absent:**

Mr. Bruce Mosby  
Ms. Barbara Ryan Thompson

**Also present for all or portions of the meeting were:**

Mr. James Barham, Phoenix IDA  
Mr. Murray Boess, Phoenix IDA  
Ms. Sarah Cline, Phoenix IDA  
Ms. Lydia Lee, Phoenix IDA  
Mr. Mark O’Brien, Raymond James  
Mr. C.W. Ross, Fennemore Craig, P.C.  
Mr. Juan Salgado, Phoenix IDA  
Ms. Amy Schwabenlender, Valley of the Sun United Way  
Ms. Christine Wetherington, Valley of the Sun United Way

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 Committee meeting to order at 3:38 p.m. A quorum was noted.

**ITEM 1:      Approval of Meeting Minutes**

Meeting minutes for the December 8, 2016 Board of Directors executive session and January 19, 2017 Board of Directors regular session were presented for approval. Director Robinson moved to approve the minutes. Director Lujan seconded the motion. **Motion carried unanimously.**

**ITEM 2:      Valley of the Sun United Way – Rapid Re-Housing Report**

Mr. Salgado introduced the item, and asked Ms. Lee to brief the Board members on the Valley of Sun United Way – Rapid Re-Housing project.

Ms. Lee reviewed the Valley of the Sun-Rapid Re-Housing project and the Phoenix IDA’s funding of the project which was approved in April 2015.

Ms. Schwabenlender from the Valley of the Sun United Way presented the one-year evaluation of the Rapid Re-Housing project.

Discussion ensued.

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

**ITEM 3: Home in Five Advantage**

Mr. Salgado introduced Mr. O’Brien and requested that he brief the Board on the Home in Five Advantage Program.

Mr. O’Brien reported on the Home in Five Advantage Program, as reflected in the Phoenix IDA’s records for this meeting, which are available upon request.

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

**ITEM 4: Financial Statements for Period Ending December 31, 2016**

Mr. Salgado presented the financial statements for the period ending December 31, 2016, as reflected in the Phoenix IDA’s records for this meeting, which are available upon request.

Mr. Salgado requested ratification of the Finance Committee’s approval of the aforementioned financial statements. Director Lujan concurred that the quarterly financial statements had been reviewed in detail, and recommended approval.

Director Severns moved to ratify the Finance Committee’s approval of the Financial Statements for the period ending December 31, 2016. Director Renfro seconded the motion. **Motion carried unanimously.**

**ITEM 5: Mid-Year Budget Adjustment**

Mr. Salgado presented the mid-year budget adjustments to the Board as reflected in the Phoenix IDA’s records for this meeting, which are available upon request.

Mr. Salgado requested ratification of the Finance Committee’s approval of the mid-year budget adjustments.

Director Severns moved to ratify the Finance Committee’s approval of revisions to the Operating Budget for fiscal year 2016-17. Director Renfro seconded the motion. **Motion carried unanimously.**

**ITEM 6: 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 4:11 p.m.

## Item 2

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**MEMORANDUM**

**DATE:** March 9, 2017

**TO:** Members, Board of Directors

**FROM:** Juan Salgado, Executive Director

**SUBJECT:** Multifamily Housing Revenue Bonds (Broadway Terrace Apartments Project), Series 2017

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**BACKGROUND**

On August 17, 2016, Broadway Terrace, L.P., an Arizona limited partnership (the “Borrower”), obtained final Board approval to issue bonds in an aggregate principal amount not to exceed \$8,000,000 for a multifamily project known as Broadway Terrace Apartments Project.

Since then, the Borrower’s anticipated costs to acquire, rehabilitate, improve, and equip buildings and land at the project site (the “Project”) have increased such that it now requests the Authority’s final approval to issue an additional principal amount of not to exceed \$1,000,000 in project bonds, for a total principal amount of authorized bonds not to exceed \$9,000,000.

The Borrower will seek Phoenix City Council approval for the additional amount of bonds on April 5, 2017, pending Phoenix IDA Board approval.

**THE PROJECT**

The Project contemplates the purchase and rehabilitation of an existing 100-bed facility called Broadway Terrace that serves very low-income seniors and disabled individuals. The Project is located at 12815 North 28th Drive, Phoenix (on the southeast corner of 28<sup>th</sup> Drive and Sweetwater Avenue), within Phoenix City Council District 1, represented by Councilwoman Thelda Williams.

The Borrower anticipates completing the rehabilitation work by February 2018.

**PLAN OF FINANCING**

According to the Borrower, the Bonds will be issued in series as determined by the underwriter, Red Capital Markets, LLC. The maturity of the longest series will be no more than 40 years. It is expected that the fixed rate Bonds will be sold in a limited public offering at the then prevailing market rate. The Borrower expects to complete the not to exceed \$9,000,000 transaction by April 2017.

**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 final approval resolution, as reviewed by same.



**RESOLUTION NO. 2017-02**

**A RESOLUTION GRANTING FINAL APPROVAL TO THE ISSUANCE OF A PRINCIPAL AMOUNT OF \$1,000,000 OF MULTIFAMILY HOUSING REVENUE BONDS (BROADWAY TERRACE APARTMENTS PROJECT), SERIES 2017, ORIGINALLY APPROVED TO BE ISSUED IN ONE OR MORE TAX-EXEMPT AND/OR TAXABLE SERIES IN AN AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED \$8,000,000, WHICH WHEN COMBINED WITH THE CURRENTLY REQUESTED \$1,000,000, WOULD CONSTITUTE APPROVAL OF THE ISSUANCE OF SUCH BONDS IN A COMBINED AGGREGATE PRINCIPAL AMOUNT OF NOT TO EXCEED \$9,000,000 (THE "BONDS") TO FINANCE A PROJECT FOR BROADWAY TERRACE, L.P., AN ARIZONA LIMITED PARTNERSHIP; 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 the acquisition, construction, 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 "residential real property for dwelling units located within the municipality approving the formation of the corporation;" and

**WHEREAS**, Broadway Terrace, L.P., an Arizona limited partnership (together with its assignees and designees, the "Borrower"), has previously requested the Authority to issue its Multifamily Housing Revenue Bonds (Broadway Terrace Apartments Project) Series 2016 in one or more series in an aggregate principal amount not to exceed \$8,000,000 (the "Original Principal Amount") and loan the proceeds thereof to the Borrower to (a) finance the acquisition, rehabilitation, improvement, and equipping of buildings and land to be used as multifamily housing and related facilities located at 12815 North 28<sup>th</sup> Drive in Phoenix, Maricopa County, Arizona, (b) fund any required reserve funds, (c) pay capitalized interest on the Bonds, if any, and (d) pay costs and expenses incurred in connection therewith (collectively, the "Project"), all in accordance with the Act; and

**WHEREAS**, the Authority has previously granted preliminary approval, pursuant to Resolution 2016-05 adopted by the Authority at its May 12, 2016 meeting (the “Preliminary Resolution”), and final approval, pursuant to Resolution 2016-09 adopted by the Authority at its August 17, 2016 meeting (the “Final Resolution,” and together with the Preliminary Resolution, the “Original Resolution”); and

**WHEREAS**, the Borrower’s anticipated costs of construction of the Project have increased and as such, it now requests the Authority’s final approval to issue and sell an additional principal amount of not to exceed \$1,000,000 (the “Additional Principal Amount”) of Multifamily Housing Revenue Bonds (Broadway Terrace Apartments Project), Series 2017, which when combined with the Original Principal Amount, would constitute approval of the issuance of such Bonds in a combined aggregate principal amount of not to exceed \$9,000,000 (the “Revised Principal Amount”); and.

**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 in an amount not to exceed the Revised Principal Amount and the making of a loan to the Borrower for the purpose of financing and/or refinancing all or a portion of the cost of the acquisition, construction, improvement, equipping and operating of the Project and the costs and expenses incidental thereto are in furtherance of the purposes of the Authority under the Act and the Project will constitute a “project” within the meaning of the Act.

**Section 2.** The Bonds to be issued in an amount equal to the Revised Principal Amount (or such lesser amount as shall be determined by the Borrower at the time the Bonds are priced) are subject to the same terms and conditions contained in the Original Resolution.

**Section 3.** Nothing contained in this Resolution, or 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 4.** Each of the Borrower and those acting on its behalf is authorized to file one or more requests from time to time for allocations for private activity bonding authority for the Bonds through the Arizona Finance Authority, as successor to the Arizona Commerce Authority, (whether in the form of carryforward allocations or otherwise) in an aggregate principal amount which, inclusive of any and all such requests, shall not exceed \$9,000,000.

**Section 5.** All actions of the officers, staff, directors, employees, agents and Executive Director 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 and bond counsel, shall be and are hereby ratified, confirmed and approved. The proper officers, staff, directors,

employees, agents and Executive Director 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 6.** The Executive Director 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, the execution or delivery of the documents entered into by the Authority in connection with the issuance of the Bonds (the “Documents”), or performance of the duties and obligations of the Authority pursuant to the Documents. The liability of the Authority with respect to the Documents executed in connection with the transactions contemplated hereby shall be limited as provided in the Act and such Documents.

**Section 7.** 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 8.** 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 does not affect any of the remaining provisions of this Resolution.

**Section 9.** It is 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 10.** Notice of Arizona Revised Statutes Section 38-511 is hereby given. The provisions of that statute by this reference are incorporated herein to the extent of applicability to matters contained herein under the laws of the State.

**Section 11.** This Resolution is effective immediately upon its adoption.

**Section 12.** 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.

*[Remainder of Page Intentionally Left Blank]*

Adopted and approved this 9<sup>th</sup> day of March, 2017.

THE INDUSTRIAL DEVELOPMENT AUTHORITY  
OF THE CITY OF PHOENIX, ARIZONA

By: \_\_\_\_\_  
Juan Salgado, Executive Director

## Item 3

### GRANT REVIEWER RUBRIC

The following grant reviewer rubric is provided as a tool to help in understanding the areas in which reviewers will rate each concept paper. As grantees prepare a concept paper, they are asked to consider:

- Have I provided sufficient information for a reviewer to be able to understand the concept paper in accordance with this reviewer rubric?
- Can a reviewer analyze the concept paper and apply the below rating factor for overall consideration?

<b>CRITERIA</b>	<b>SCORING Scale of 1-10</b>	<b>MEASURE</b>
<b>Purpose/Community Need</b>	<b>1 Weak, 5 Average 10 Strong</b>	
	8	Concept paper is in line with the grantee mission/vision and has a distinct focus, format, objective.
	9	Defined need is a priority or urgent issue in the community.
	9	Concept paper activities clearly address the articulated need.
	9	Concept paper targets underserved population, size/range of population directly served is meaningful and appropriate.
<b>Results/Evaluation</b>		
	8	Evidence is provided indicating the program will achieve the desired results.
	7	Results are significant and can be demonstrated.
	8	Activities, time table, and goals are clear and well thought out. Strong evidence of collaboration and sufficient resources allocated to accomplish stated goals.
	7	Program or project is sustainable beyond grant timeline.
<b>Community Support</b>		
	7	Diversity of funding sources (financial backing, in-kind support, and/or volunteer support from the community) indicates concept paper is sustainable.
<b>Financial indicators</b>		
	9	Budget is easy to understand and logical. Clarity and feasibility of proposed project expenses and income.
<b>Total</b>	<b>81</b>	

At the completion of the concept paper review, the executive director may make award recommendations to the Phoenix IDA Board of Directors, Community Impact Fund Committee or any committee of the board. If the funding request is denied, notification will be made to the grantee.

Throughout the term of the award, the potential grantee and the Community Relations Administrator will communicate regularly about the status of the award. Interim reports and other types of ongoing communication may be required.

# CodePHX: Bringing STEM Opportunities to Under-Served Youth

**Mission/Vision: provide a general description of the organization’s mission and vision statement. (100-word limit)**

The vision of CodePHX is that youth who are traditionally under-represented in technology fields (including girls, minorities and students from low-income families) will pursue post-secondary education and careers in Science, Technology, Engineering and Math (STEM) fields in greater numbers. The mission is to expose youth to computer coding and STEM skills in out-of-school settings. Coding is the writing and/or developing of software commands to achieve the outcome for a task, program or game. The goal is to allow youth to gain knowledge and hands-on experience in an informal setting that will help them achieve success in school, life and career.

**Project Description: Provide a general description of the conceptualized project/program. Include the expected duration and whether this is a new or existing effort. (250-word limit)**

CodePHX is an expansion of a successful pilot in two City of Phoenix libraries to teach computer coding to children ages five and up. With additional funding, including a \$50,000 commitment from the City of Phoenix, the program will be expanded over three years to 29 sites, including all 17 libraries and 12 community centers. In the first year, the grant will fund coding at four recreation centers and four libraries; an additional four libraries will be offered with existing City funds. In addition, a mobile coding lab will be included in the Parks and Recreation mobile recreation program.

The importance of learning computer coding cannot be overstated in the digital age. Coding has been described as a new kind of literacy. And while not every child will become a computer programmer, learning to code teaches more profound computational thinking that prepares students to be creative problem solvers.

By combining forces in this initiative, the Parks and Recreation and Library departments are leveraging a proven curriculum developed by Library staff and dramatically increasing the program’s reach by scaling up in recreation centers and libraries. Grant funds will be used to purchase equipment and software and to hire part-time staff to lead the programs.

Existing curriculum developed and tested by Library staff over the last two years includes Coding, Robotics and 3D Modeling. Multiple classes will run year around at community centers and libraries on both a registration and drop-in basis. The program will impact approximately 500 unique youth ages 5-16 in the first year and 1,500 by the third year.

**Need for the Project: Identify the community indicators that demonstrator the need for the project. Share how the need was determined. (500-word limit)**

The CodePHX target audience is girls and under-represented minorities. Students from historically disadvantaged groups such as African-Americans, Native Americans and Hispanics, female and male, are less likely to take advanced math and science classes in high school, which negatively affects their ability to enter and successfully complete STEM majors in college or enter into STEM related careers.

The lack of diversity in computer science also affects women, as self-reported statistics from some of the largest tech companies demonstrate -- men vastly outnumber women in programming jobs. In 2015, USA Today reported that women make up 17 percent of technical employees at Google (notably, only two percent of Google tech jobs were held by Hispanics and one percent by African-Americans). Similar numbers have been reported in TechCrunch for Facebook. In Arizona, of the 484 computer science graduates in 2014, only 15 percent were female.

Currently, 90 percent of parents want their elementary school children to learn computer science but only 25 percent of elementary schools in Arizona teach computer science in the regular curriculum (Code.org). While Arizona offers teachers some funding for computer science professional development, computer science is not required to be taught in high school and there is no K-12 curriculum standard. Per the Arizona STEM Network, only 16 out of 325 schools in the Phoenix area are classified as STEM schools.

In the City of Phoenix, 34.2 percent of children are growing up in poverty and 27 percent are living in households where no adult holds a high school diploma. Children in these households are currently experiencing a cycle of these negative effects (sources Kids Count and Census.gov). Children from low-income families are disproportionately affected by the statewide lack of educational resources for computer science. The diversity problem in computer science jobs starts in Kindergarten and the gap widens as low-income children lack opportunities to catch up on these skills at expensive summer camps or in paid after-school clubs that more advantaged children can afford.

Between now and 2024, Arizona STEM jobs will grow by 24 percent (source: Arizona STEM Network). Arizona currently has 9,657 open computing jobs (2.8 times the average demand rate in Arizona). Nationally, the Bureau of Labor Statistics projects a 37.5 percent growth by 2022 in the "computer systems design and related services" industry – from 1.6 million jobs in 2012 to more than 2.2 million in 2022. The average salary for a computing occupation in Arizona is \$85,165, which is significantly higher than the average salary in the state (\$45,310).

There is clearly a demand in the computer science industry for skilled workers. Parents are advocating for these skills to be taught in grade school, but Phoenix schools are not able to meet that need. Thus, the children from low-income families (largely minority children) are at a huge disadvantage because their parents cannot afford to supplement their education with paid programs. By providing free year-round out-of-school coding classes, CodePHX will help close the diversity gap in youth pursuing STEM education and careers.



**Population to be served: The population to be served includes those who will be directly involved in the conceptualized activities. Describe the characteristics of the population or community including age or age range, gender, race, disability, and any unique characteristics such as needs, risk factors, barriers, etc. Include projections of the number to be served. Where applicable, and if it lends greater understanding to the concept, similar information be included regarding the indirect population – those impacted by the project even though not directly engaged. (500-word limit)**

The CodePhx target population is under-represented youth ages 5-16. In the first year, programming will be offered at 12 sites in seven Phoenix communities (as defined by City of Phoenix Village Planning). These communities were selected because of a combination of available staff, appropriate facilities and proximity to low-income residential areas.

<b><u>Phoenix Planning Village</u></b>	<b><u>CodePHX Sites (Year One)</u></b>
Alhambra	Yucca Library*
Central City	Burton Barr Central Library* Harmon Library*
Maryvale	Vernell Coleman Recreation Center Palo Verde Library* Bret Tarver Learning Center
North Mountain	Cholla Library Sunnyslope Youth Center
Laveen	Cesar Chavez Library
Estrella	Desert Sage Library
Deer Valley	Mountain View Community Center
Ahwatukee Foothills	Ironwood Library *City funded

Per City-Data.com, 34.2 percent of the children in Phoenix are living below the poverty level. Across these communities, the average percent of families living below poverty is 11 percent. Eight of the 12 sites are concentrated in the communities with the highest rates of poverty – in Central City, 38 percent of families are below poverty; in Maryvale, 31 percent; and in North Mountain and Alhambra, 16 percent of families live below the poverty level. There are more than 280,000 children ages 5-17 in these seven communities and 71 percent of them are minority youth, predominantly Hispanic.

Many of these same children are underperforming on the AZ Merit tests for math and English. In many schools in the districts that span these communities (including Washington, Cartwright, Isaac, Tolleson, Murphy, and Phoenix elementary districts), less than 20 percent of third grade students are meeting English and math standards. Students who are not proficient readers by the end of third grade are particularly vulnerable to falling behind in every subject and are much more likely to drop out of school. Per Code.org, there is some evidence that computer science instruction helps students make gains in math and reading. It's a two-fold effect. The hands-on experience in coding teaches computational thinking, persistence and problem-solving. The sense of accomplishment also leads to a more positive view and interest in school and STEM subjects.

CodePhx will serve at least 500 unique students in the first year, growing to 1,500 students by year three, for a total of at least 3,000 children served over three years (conservative estimates). Two-hour programs at libraries will be offered year-round on a drop-in basis, as well as four-day camps during winter, spring and fall school breaks. Programs at recreation centers will be structured as eight-week workshops meeting two hours a week for a total of 16 hours per session. Three sessions will be held during the year, as well as shorter sessions during holiday and school breaks.

Indirect benefits will accrue to the wider population of children in the community by increasing the visibility of and demand for coding programs, both in school and after school.

**Goals, objectives and Strategies: Outline the goals, objectives and key strategies for engaging and retaining and impacting the population or community that will be served. (500-word limit)**

The goal is to encourage girls, minorities and children from low-income families to pursue post-secondary education and careers in high-paying STEM careers.

**Objectives:**

- Create out-of-school communities of learning around coding that are fun and engaging for children ages 5-17.
- Engage 500+ youth in coding programs in the first year.
- Foster critical thinking and problem solving skills.
- Expand program over three years to a total of 29 sites (in yrs. 2 & 3 – 9 libraries + 12 community centers).
- Libraries: Acacia, Agave, Century, Desert Broom, Juniper, Mesquite, Ocotillo, Saguaro, South Mountain Community.
- Community Centers: Desert West, Devonshire, Eastlake, Faye Gray, Hayden Neighborhood, Longview, Marc Atkinson, Muriel Smith, Sunnyslope Community Center, University Park, Verde Park, Washington Activity Center,

**Strategies include:**

- Scale existing library coding programs to have 12 sites in the first year to serve more youth.
- Fine tune curriculum as the program grows to meet industry standards.
- Market the programs at workshop sites, neighboring school districts and other community locations using a variety of media.
- Track participation in coding classes with sign in sheets, work product and pre/post surveys.
- Develop student incentives for achievement.

**Projected Outcomes and Related Indicators: Detail the intended outcomes of the conceptualized project/program. Identify the indicators that will point to the degrees that the outcomes have been**

**attained. Explain the evaluation methodology envisioned including a description of who will conduct the evaluation activities. (500-word limit)**

Outcomes	Indicators
Expose more youth to coding.	Repeat students and consistent student attendance will be measured to guide motivation and curriculum.
Increase access to caring adults in youth’s lives.	500 students will attend a coding class at either a library or a community center in the first year.
Students gain critical thinking, problem solving and computational skills.	250 of the students will complete a class, produce a digital product or demonstrate increased skill in coding or robotics in the first year.
Students are engaged and motivated to build, create and explore.	Post-Training evaluations will show students enjoy coding and robotics and are excited to learn more.
Students express interest in post-secondary education and careers in STEM.	Entrance and exit surveys will show participants interact with staff mentors to deepen their knowledge in areas of personal interest related to coding and robotics.

In addition to the collection of demographic statistics at each site, students will be assessed using pre-and post surveys. Surveys will be distributed and collected by the onsite course instructors and will be collated and evaluated by their supervisors. Pre/post surveys will evaluate students’ comfort levels regarding the subject matter, excitement about the subject matter, intent regarding continued learning in the subject, career interest and satisfaction with instructors and classes. Students will be monitored for skills progression in some classes utilizing teacher dash boards in web tools such as code.org and kodable.com.

**Collaborative Partners: Describe the role, relations and value-added of other organizations key to the success of the concept. (500-word limit)**

Parks and Recreation Department with the Library Department will collaborate to offer high quality, year-round coding programs at libraries and community centers. The Library Department will provide the curriculum, staff training and equipment specifications. Both departments will oversee the hiring of part-time staff to teach workshops. In the first year, Parks staff will coordinate the classes in four community centers (Vernell Coleman Recreation Center, Bret Tarver Learning Center, Mountain View Community Center, Sunnyslope Youth Center). Phoenix Public Library will continue successful coding programs at Burton Barr Central Library and Palo Verde Library and add programs at Harmon, Yucca, Cesar Chavez, Desert Sage, Ironwood, and Cholla libraries (note: expansion at Harmon, Yucca and Palo

Verde is paid for through \$50,000 in funding provided by the City of Phoenix, and the mobile unit is also paid for by another \$50,000 provided by the City of Phoenix). By coordinating staff training, fidelity to a proven curriculum and equipment purchases, more students can be reached.

Both departments will reach out to schools adjacent to program sites to promote the coding workshops. The Library Department has a fulltime Literacy Outreach Librarian who has extensive contacts in these school districts. In fact, she is already leading a STEM Communities of Learning project with six schools in the Washington Elementary School District. The coding programs at Cholla Library and the Sunnyslope Recreation Center will be a natural extension of this existing partnership. School districts that will be engaged in the first year include: Phoenix Union High School District, Deer Valley Unified, and Phoenix, Washington, Cartwright, Isaac, Murphy, Laveen, Pendergast, Riverside, Tolleson, and Wilson elementary districts.

Library staff, through the MACH1 makerspace, have a broad list of community partners which will take part in CodePHX. MACH1 staff will work with other makerspaces such as: Gangplank, CO+HOOTS, CREATE, and HeatSync Labs. Other community organizations that will be involved in CodePHX include: Arizona SciTech, Science Arizona, Arizona State University, Grand Canyon University, Arizona FIRST LEGO League, and Girl Scouts-Arizona Cactus-Pine Chapter.

**Implementation Plan: Describe the conceptualized implementation including associated timelines, contingencies and deadlines. Note key staff roles and explain the expertise that qualifies the organizations to address the described needs. (500-word limit)**

Activity	Timeframe	Responsible Parties
Finalize Curriculum	November 2016	Library
Order Equipment	February 2017	Library provides list / Parks places order
Hire and train staff	January-March 2017	Library
Pilot Classes at four locations (4)	April-May 2017	Library / Parks
Evaluate Pilot Classes	May 2017	Library / Parks
Train Summer Volunteers	May 2017	Library / Parks
Launch Marketing Campaign	May 2017 (ongoing)	Library / Parks
Launch Summer Classes at 12 sites and Camps at 5 sites	June 2017	Library / Parks
Evaluate Summer Classes and Camps	August 2017	Library / Parks
Launch Fall programs at 12 sites at Fall camps at 5 sites	September 2017	Library / Parks
Order supplemental Equipment in preparation for year two expansion	September 2017	Parks
Hire staff for year two expansion	October 2017	Library / Parks

Launch Student Mentor Program	December 2017	Library / Parks
Launch spring classes at 20 sites and camps at 9 sites	January 2018	Library / Parks
Evaluate Spring Programs Break Camps	April 2018	Library / Parks
Evaluate Spring classes	May 2018	Library / Parks
Launch Summer classes at 20 sites and camps at 9 sites	June 2018	Library / Parks
Evaluate Summer classes and camps	August 2018	Library / Parks
Launch Fall after school classes at 20 sites	September 2018	Library / Parks
Order supplemental equipment in preparation for year three expansion	September 2018	Parks
Hire staff for year three expansion	October 2018	Library/Parks
Train staff for year three expansion	November 2018	Library / Parks
Evaluate Fall afterschool classes	December 2018	Library / Parks
Launch spring classes 29 sites	January 2019	Library / Parks
Investigate permanent funding for additional staffing	February 2019	Library / Parks
Evaluate Spring Classes and camps	May 2019	Library / Parks
Launch Summer classes and camps at 29 sites	June 2019	Library / Parks
Evaluate Summer classes and camps	August 2019	Library / Parks
Launch fall after school classes	September 2019	Library / Parks
Evaluate fall after school classes	December 2019	Library / Parks

The marketing plan will include flyers, posters and banners in school districts, libraries, community centers and community partner sites (including high density apartment complexes adjacent to class sites). There will be a social media and newsletter campaign by Library and Parks and Recreation as well as targeted outreach to schools and teachers. In addition, the Public Information Officers in both departments will pitch articles and news coverage to various media outlets, particularly Spanish-language. The Library will also use their market segmentation software to create and send direct email messaging to households in surrounding communities.

The Parks and Recreation IT professional that is a part of the CodePHX Project Team will oversee the purchase and installation of equipment and coordinate instructors in the community centers. The Library Manager for the MACH1 space will oversee all training and will supervise instructors. The Project

02/17/2017

Team will hold monthly meetings to facilitate coordination and ensure all sites are implementing successful programs in the community with consistent curriculum.

**Sustainability: Explain the plans for sustaining the conceptualized project/program and/or impact beyond the timeline associated with supported planning and/or implementations activities. (500-word limit)**

STEM learning has been part of the strategic plan at the Library Department for more than three years. The current Library Strategic Plan (2016-2019) has the following high-level Goal and Objectives related to STEM education:

**Goal 2:** *Phoenix Public Library will expand access to engaging afterschool activities for youth that promote 21<sup>st</sup> century skills.*

**Objective 1:** Expand our STEM and maker programming both at Burton Barr Library and system wide through June 30, 2019.

**Objective 2:** Offer more regular coding programs for tweens and teens system-wide by June 30, 2017.

**Objective 3:** Provide library staff with training in the area of fostering 21<sup>st</sup> Century skills in children through June 30, 2019.

As a matter of procedure, when new programs are piloted and deemed successful, they are quickly integrated into core staff competencies. For example, in 2013 a new STEM-focused story time model was trialed at the Library and then all youth staff were trained to deliver the program within six months. Extending training to existing staff to make coding programs a routine offering in libraries and community centers is a key strategy in creating sustainability.

With respect to equipment, CodePHX will purchase equipment that is durable and easy to maintain. A rigorous schedule of maintenance and repair will be established. Library and Parks and Recreation staff will also develop partnerships with local businesses to donate equipment to CodePHX.

CodePHX will actively solicit and train volunteers from educational and business partners to grow the number of qualified instructors without adding to payroll costs. By the third year of the grant, CodePHX will establish a student mentorship program to engage and reward high school students who have participated by creating student internships to increase the number of qualified mentors in the classroom.

The City of Phoenix respectfully requests \$250,000 from the Phoenix IDA to support the expansion of CodePHX. During this grant period, CodePHX will continue to seek additional funding and partnerships to grow and staff the program.

**Budget: Include the actual dollar amount of the request along with the dollar amount and source of any other revenue, including in-kind resources. Provide a general description of how funds will be utilized including the main expense categories. Attach a copy of the budget for the project/program and a copy of the org 501c3 IRS letter**

**City of Phoenix Council District: All**

City Council letter of support: Include a letter of support from the city council member indicating their knowledge of the program/project and endorsement.



## City of Phoenix

OFFICE OF THE CITY COUNCIL

Daniel T. Valenzuela  
Councilmember

District 5  
602-262-7446  
Fax: 602-495-0628  
TTY: 602-495-5810

[phoenix.gov/district5](http://phoenix.gov/district5)  
[facebook.com/danielforphoenix](https://facebook.com/danielforphoenix)  
[twitter.com/daniel4phoenix](https://twitter.com/daniel4phoenix)  
[youtube.com/DTVPHX](https://youtube.com/DTVPHX)

March 2, 2017

Mr. Sal Rivera  
President

Phoenix IDA Board of Directors  
251 W. Washington Street, 9<sup>th</sup> Floor  
Phoenix, AZ 85003

Dear Mr. Rivera,

Since taking office on the City Council I have been committed to leading the city of Phoenix in its efforts to build momentum as an epicenter for entrepreneurship that will diversify and strengthen our economy.

Three years ago I had the opportunity to join CO+HOOTS, a local co-working space, in launching the first global entrepreneur exchange program – a program that is designed to bring together the world's most innovative entrepreneurs and coworkers to share ideas in cities throughout the world. Through my involvement with CO+HOOTS I have been able to join a diverse confederation of the business community who had the foresight to identify a very clear shift in the entrepreneurial ecosystem in Phoenix. This collective of socially conscience entrepreneurs are dedicated to helping one another and came together to create the “#yesphx Rising”, with a mission to support a movement of entrepreneurs in Phoenix and across the country.

As Chair of the Phoenix Downtown, Aviation, Economy and Innovation Subcommittee and inspired by #yesphx, I have continued to push the envelope of a new economy even further through a city partnership with Arizona State University to create The Hive, a program at Burton Barr Library that provides a discovery space for business entrepreneurs that combines elements of a co-working space with services and resources.

The Hive became a success very early, and since opening its doors 93 startups have been launched and 139 jobs have been created as a result of the partnership and investment. The Hive has not only set the tone for public models to embrace Phoenix as a destination for success, but also made me aware that the entrepreneurs of tomorrow must be developed in the classrooms of today.

I am asking for your consideration of an investment in the CodePHX program because I believe that coding and STEM education should be made equitable, accessible and free to every youth in Phoenix who wants the opportunity to prepare and consider careers in technology fields, specifically coding, which at its essence is the writing and developing of software commands to achieve the outcome for a task, program or game.



The funding request before the Phoenix IDA Board of Directors will augment a \$596,631 commitment, both in-kind and cash, from the City of Phoenix and provide for the expansion of successful city pilot that provides free computer coding instruction in two public libraries, enabling CodePHX to reach all 17 Phoenix library branches and an additional 12 community center over the next three years.

If the City of Phoenix is going to great lengths to getting startups and innovators comfortable in Phoenix at the early stage, we should ensure our students are prepared and have the opportunity to participate. I can think of no better way to do this than by transforming our library system into hubs and incubators that expose youth to equitable, accessible and free computer coding and STEM skills that will help them achieve success in school, life and career.

Companies like Apple and Intel started in basements and garages, so why can't the next great Phoenix company start in a local library branch with momentum from the CodePHX program.

Thank you for your time, consideration, and service on the Phoenix IDA Board of Directors.

Sincerely,

A handwritten signature in black ink, appearing to read 'D. Valenzuela', with a checkmark at the end.

Councilman Daniel T. Valenzuela  
City of Phoenix  
District 5

bc: Phoenix IDA Board of Directors  
Mr. Juan Salgado  
Mr. Ed Zuercher

## CodePHX Project

Sources	Year 1	Year 2	Year 3	Total
City of Phoenix*	\$ 170,111	\$ 198,877	\$ 227,643	\$ 596,631
ACF	83,333	83,333	83,333	250,000
Phoenix IDA	150,000	100,000		250,000
TBD	16,839	75,298	229,433	321,570
<b>Total</b>	<b>\$ 420,283</b>	<b>\$ 457,508</b>	<b>\$ 540,409</b>	<b>\$ 1,418,201</b>
<i>City %</i>	<i>40.5%</i>	<i>43.5%</i>	<i>42.1%</i>	<i>42.1%</i>

Uses	Year 1	Year 2	Year 3	Total
Personnel Costs <sup>1</sup>	\$ 106,153	\$ 157,838	\$ 211,999	\$ 475,991
Hardware	141,150	123,150	123,150	387,450
Software	9,000	9,000	9,000	27,000
Promotion/Marketing	50,000	25,000	25,000	100,000
Supplies	2,400	4,000	5,800	12,200
Mileage	1,340	2,680	4,020	8,040
Expansion Costs <sup>2</sup>	50,000	50,000	50,000	150,000
Facility Costs <sup>1</sup>	25,600	51,200	76,800	153,600
Embedded Equipment <sup>1</sup>	34,640	34,640	34,640	103,920
<b>Total</b>	<b>\$ 420,283</b>	<b>\$ 457,508</b>	<b>\$ 540,409</b>	<b>\$ 1,418,201</b>

\* City of Phoenix project contributions include:

<sup>1</sup> In-Kind contributions (\$446,631, including a portion of Personnel Costs)

<sup>2</sup> Cash outlay (\$150,000)

<b>CODEPHX SITES</b>		<b>Data from Maricopa Association of Governments</b>					
<b>Cholla Dist 1</b>		<b>Mt View Dist 2</b>		<b>Sunnyslope Dist 3</b>		<b>Tarver (Dist 4)</b>	
Age 5-17	20%	Age 5-17	15%	Age 5-17	17.20%	Age 5-17	23.10%
Male	20.30%	Male	14.40%	Male	18.10%	Male	23.50%
Female	19.80%	Female	14.60%	Female	13.10%	Female	22.70%
Population		Population		Population		Population	
Black	4.80%	Black	3.80%	Black	4.50%	Black	4.40%
Native American	2.40%	Native American	1.00%	Native American	1.30%	Native American	1.70%
Hispanic	40.70%	Hispanic	17.20%	Hispanic	27.40%	Hispanic	81.10%
Median Household Income	\$38,389	Median Household Income	\$46,529	Median Household Income	\$42,137	Median Household Income	\$22,137
<i>Education</i>		<i>Education</i>		<i>Education</i>		<i>Education</i>	
Less than 9th Grade	9.2%	Less than 9th Grade	3.1%	Less than 9th Grade	4.8%	Less than 9th Grade	32.3%
No High School Diploma	13.1%	No High School Diploma	5.9%	No High School Diploma	8.8%	No High School Diploma	19.8%
High School Graduate	29.9%	High School Graduate	24.0%	High School Graduate	31.1%	High School Graduate	27.7%
Some College	24.3%	Some College	28.7%	Some College	28.9%	Some College	13.0%
Associates	9.1%	Associates	8.5%	Associates	8.0%	Associates	2.4%
Bachelors	10.0%	Bachelors	17.9%	Bachelors	13.4%	Bachelors	3.0%
Graduate / Professional	4.3%	Graduate / Professional	12.0%	Graduate / Professional	4.9%	Graduate / Professional	1.7%
Occupation		Occupation		Occupation		Occupation	
Computer, engineering, and science occupations	3.5%	Computer, engineering, and science occupations	5.20%	Computer, engineering, and science occupations	5.60%	Computer, engineering, and science occupations	0.80%
Computer and mathematical occupations	1.9%	Computer and mathematical occupations	2.60%	Computer and mathematical occupations	3.70%	Computer and mathematical occupations	0.50%
<b>Desert Sage (Dist 5)</b>		<b>Ironwood (Dist 6)</b>		<b>Chavez (Dist 7)</b>		<b>Coleman (Dist 8)</b>	
Age 5-17	26.60%	Age 5-17	19.80%	Age 5-17	24.60%	Age 5-17	20.50%
Male	27%	Male	21.20%	Male	24.50%	Male	18%
Female	26.1	Female	18.50%	Female	24.70%	Female	22.90%
Population		Population		Population		Population	
Black	4.80%	Black	4.40%	Black	17.90%	Black	12.90%
Native American	2.00%	Native American	0.10%	Native American	6.00%	Native American	1.50%
Hispanic	84.40%	Hispanic	9.50%	Hispanic	41.20%	Hispanic	53.50%
Median Household Income	\$31,065	Median Household Income	\$95,628	Median Household Income	\$63,690	Median Household Income	\$27,200

<i>Education</i>		<i>Education</i>		<i>Education</i>		<i>Education</i>	
Less than 9th Grade	23.4%	Less than 9th Grade	0.8%	Less than 9th Grade	7.6%	Less than 9th Grade	17.8%
No High School Diploma	19.4%	No High School Diploma	1.3%	No High School Diploma	7.9%	No High School Diploma	12.1%
High School Graduate	29.2%	High School Graduate	12.2%	High School Graduate	21.9%	High School Graduate	24.9%
Some College	16.6%	Some College	21.2%	Some College	26.2%	Some College	16.6%
Associates	3.5%	Associates	10.5%	Associates	11.0%	Associates	4.2%
Bachelors	6.2%	Bachelors	35.1%	Bachelors	16.8%	Bachelors	14.2%
Graduate / Professional	1.6%	Graduate / Professional	19.0%	Graduate / Professional	8.7%	Graduate / Professional	10.3%
<i>Occupation</i>		<i>Occupation</i>		<i>Occupation</i>		<i>Occupation</i>	
Computer, engineering, and science occupations	0.50%	Computer, engineering, and science occupations	10.10%	Computer, engineering, and science occupations	5.70%	Computer, engineering, and science occupations	5.40%
Computer and mathematical occupations	0.30%	Computer and mathematical occupations	4.80%	Computer and mathematical occupations	3.20%	Computer and mathematical occupations	2.70%

**Description, Coder Dojo** Coder Dojo is an all-encompassing name for a variety of classes taught that are considered ‘traditional’ coding classes. Because there are so many different coding languages (eg Python, JavaScript, HTML, etc.) each must be taught on its own to prevent confusion and encourage fluency. All classes need a computer, many need an internet connection and teaching tools include but are not limited to: Code.org, Scratch, Coder Dojo, Various HTML learning sites, JavaScript and block coding sites, etc. Each topic has its own curriculum. Classes are taught on a rotating basis and camps generally each focus on one topic. The final product will vary based on each topic. Past final products have included: Finished Website, Interactive Games, Synthesized Music and Completed Apps. Students generally present/demonstrate their final topic to the teachers.

**Description, 3D Modeling** 3D Modeling teaches students to create a 3D model which can be either 3D printed, used in animation such as cartoons or used in a video game environment. 3D modeling is complex and can be difficult to master. Classes need a computer and usually need access to the internet. A 3D printer is not necessary but can greatly enhance the student experience. There are hundreds of tools used to teach 3D modeling. Library classes have been narrowed to the following free resources: TinkerCad, InkScape, Sculptris and Blender. Drop-In classes teach all topics on a rotating basis. Library camps teach TinkerCad, Inkscape and Sculptris all in one camp (leaving out Blender, which is advanced and much more complex). Students are encouraged to create a finished 3D model using one of the tools. Many of these 3D models may be printed using the library’s 3D printers.

**Description, Robotics** Robotics classes teach engineering, building and (in some classes) more advanced level coding. There are several types of Robotics classes and each is taught separately to encourage mastery and avoid confusion. Library Robotics classes include the following topics: LEGO MindStorms (FLL), VEX, Sphero/Dash & Dot, Simple Motorized Robots and Arduino. FLL and VEX are taught by local student interns who are on their High School Robotics teams. These require engineering, building and high level coding. Sphero/Dash & Dot are taught by library staff. They are Scratch based, coded robots (simple coding), which do not require engineering and building. Motorized robots are taught by library staff. They are simple machines which require engineering and building but no coding. Arduino robots are taught by adult volunteers from the business community. They require minimal building but higher level coding. Each topic requires different equipment and kits. Each topic has its own curriculum. Classes are taught when instructors are available, on a rotating basis. Camps are taught only in the summer. The final product will depend on the class taught but will usually center around a completed, moving robot. Final products are often presented to the entire class and instructors.

**Description, Little Bytes** Little Bytes classes teach very basic coding concepts to small children. Equipment includes printable games, board games, coding toys and NABI (Android) Tablets. Classes are taught on a regular rotation by library staff and last no more than an hour (usually 45 minutes). The curriculum has a ‘storytime’ structure in which children are taught vocabulary and concepts through repetition and parents are encouraged to participate at all times. Children can become frustrated with the concepts and need breaks and encouragement. These are built into the curriculum in the form of games and physical activities. Library staff use apps and board games to give children a chance to learn in different ways. Each class centers around one main concept so that children can become more comfortable with the concept before moving on. There is no final product associated with this class, although students can completely finish several games and apps.

## Item 4



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## MEMORANDUM

DATE: March 9, 2017  
TO: Board of Directors  
FROM: Juan Salgado, Executive Director  
SUBJECT: Lend a Hand

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### **BACKGROUND**

The intent of the Lend a Hand program is to make a positive community impact by establishing a community partnership aimed at providing members of the public with a lower-cost alternative to high interest rate loans, and to help put them on the path to healthy credit profiles and financial success.

### **PUBLIC BENEFIT**

Auto title loans are short-term consumer loans secured by the borrower's title to a vehicle. According to various sources, title loan companies offer high interest rate loans, typically at a 300% APR, that can be easily renewed resulting in long-term debt since the principal amount of the loan is paid down very slowly.

A 2015 study conducted by the Consumer Federation of America determined that Arizona is the seventh most concentrated title loan market in the nation with one licensed location for every 8,072 adults. This study also concluded that one in six borrowers faced repossession with repossession fees averaging half of the borrower's outstanding debt. Additionally, the Southwest Center for Economic Integrity mapped title lender locations in Phoenix and Tucson finding that they are primarily concentrated in financially vulnerable communities.

This two-year pilot program aims to assist people in overcoming this type of debt by providing a loan with favorable terms that pays off the borrower's less favorable debt, while also providing credit counseling and establishing a banking relationship that is expected to benefit the borrower in the long term.

### **PROGRAM OVERVIEW**

Take Charge America will provide the credit counseling services and Marisol Federal Credit Union (MFCU) will underwrite and service the loans. MFCU has committed to establishing a dedicated loan fund for this program in the amount of \$400,000 aiming to provide loans ranging from \$1,000 to \$2,000 at 15% APR for 12 to 18 months. These loans will be made with the support of a 10% loan loss reserve fund established by the Phoenix IDA and the Arizona Community Foundation (ACF). Additionally, the Phoenix IDA and ACF will share equally in the cost of providing the credit counseling services to every borrower.

### **RECOMMENDATION**

I recommend an investment not to exceed \$70,000 from the Community Impact Fund.

## Item 5



## **ETHICS POLICY**

### **I. Conflicts of Interest**

- Prohibition against soliciting or accepting “kickbacks”
- Avoid actual conflicts of interest
- Disclose and recuse

### **II. Confidential Information**

- Board members cannot disclose confidential information of the Phoenix IDA.

### **III. Anti-Discrimination**

- No discrimination based on race, color ancestry, national origin, sex, political or religious affiliation, sexual orientation, marital status, age, pregnancy, disability, citizenship status, veteran status, or military obligation.

### **IV. Employment**

- For 12 months following board service a board member cannot represent private interests for compensation in front of the Phoenix IDA.

### **V. Gifts**

- Prohibition of gifts that may lead to favoritism.
- Gifts of entertainment and sporting events must be declared to Board President

## **OPEN MEETING LAW**

### **I. Actions and Activities Covered by Open Meeting Law**

- A meeting “the gathering, in person or through technological devices, of a quorum of members of a public body at which they discuss, propose or take legal action, including any deliberations by a quorum with respect to such action.”
- Email communications may be considered a meeting
- Splintering the Quorum
- Serial Communications
- Communications through staff

### **II. Executive Sessions**

- Personnel matters, confidential records, legal advice, litigation, contract or settlement negotiations, salary negotiation, purchase and sale or lease of real property.
- All discussions are confidential
- No action may be taken

### **III. Quorum**

- What constitutes a quorum
- Impact of disqualification on quorum

### **IV. Call to the Public**

- Statutory Requirements

### **IV. Penalties for Violation**

- Nullification
- Investigation and Enforcement
- Civil Penalties
- Attorney’s Fees
- Removal from Office

## The Industrial Development Authority of the City of Phoenix, Arizona

<b>GOVERNANCE POLICY</b>	<b>No. 100</b>
SECTION 100 <b>ETHICS</b>	Original Effective Date: <b>March 11, 2008</b>
SUBJECT <b>CONFLICT OF INTEREST</b>	<b>Page 1 of 2</b> Effective Date: <b>February 6, 2013</b>

### A. CONFLICT OF INTEREST AND INDUCEMENT

Members of the Board of Directors of the Industrial Development Authority of the City of Phoenix, Arizona (the "Authority"), the Executive Director, and employees of the Authority are prohibited from receiving compensation of any kind from vendors, realtors, brokers, contractors, mortgage lenders, clients, or any similar entities or individuals for the purpose of receiving preferential treatment of any kind.

"Kickback" means any money, fee, commission, credit, gift, gratuity, object of value, offer of employment, or compensation of any kind which is provided, directly or indirectly, to any member of the Board of Directors, the Executive Director or Authority employee for the purpose of improperly obtaining or rewarding favorable treatment in connection with grant assistance programs, client referrals or contacts.

The Authority prohibits members of the Board of Directors, the Executive Director and any Authority employee from soliciting, accepting, or attempting to accept any kickbacks. The Authority also prohibits vendors, realtors, brokers, contractors, mortgage lenders, clients, or any similar entities or individuals from providing or attempting to provide any kickbacks to members of the Board of Directors, the Executive Director or Authority employees.

Authority employees will be immediately terminated from employment if it is determined that they are soliciting, accepting, or attempting to accept any kickbacks. Any vendors, realtors, brokers, contractors, mortgage lenders, clients, or any similar entities or individual in violation of this policy will be prohibited from doing business with the Authority. Finally, individuals or entities determined to be engaging in kickback practices may also be subject to additional civil or criminal penalties as provided under Arizona State Revised statutes and U.S. law.

### B. CONFLICT OF INTEREST

Situations of actual or potential conflict of interest are to be avoided by all members of the Board of Directors, the Executive Director and employees of the Authority. A conflict of interest may exist when any such individual's personal activities or financial affairs adversely influence such individual's judgment or performance of duties for the Authority. An actual or potential conflict of interest occurs when such an individual is in a position to influence a decision that may result in a personal gain

**The Industrial Development Authority of the City of Phoenix, Arizona**

<b>GOVERNANCE POLICY</b>	<b>No. 100</b>
SECTION 100	Original Effective Date: <b>March 11, 2008</b>
<b>ETHICS</b>	
SUBJECT	<b>Page 2 of 2</b>
<b>CONFLICT OF INTEREST</b>	Effective Date: <b>February 6, 2013</b>

for that individual or for a relative or friend as a result of the Authority business dealing. Personal involvement with a competitor, supplier or subordinate employee of the Authority, which impairs an employee's ability to exercise good judgment on behalf of the Authority, creates an actual or potential conflict of interest.

Except for gifts allowed under subsection G of the "General Ethics Policy: Gifts, Favors, and Extra Compensation," no gifts or gratuities, unless deemed to be of minimal value, shall be accepted by the Executive Director, staff or any member of the Board of Directors from any individual or businesses that is in any way associated with the Authority. For purposes of this paragraph, minimal value shall be deemed as \$25.00.

**C. PROCEDURES**

Below is a key procedure to maximize the effectiveness of this policy:

- No later than 24 months after the last review period, the Board of Directors shall, upon action of the Executive Committee, review and act to continue and/or amend, or terminate this Policy.

## The Industrial Development Authority of the City of Phoenix, Arizona

<b>GOVERNANCE POLICY</b>	<b>No. 101</b>
SECTION 100	Original Effective Date: <b>March 11, 2008</b>
<b>ETHICS</b>	
SUBJECT	<b>Page 1 of 7</b>
<b>GENERAL ETHICS POLICY</b>	Effective Date: <b>February 6, 2013</b>

The Industrial Development Authority of the City of Phoenix, Arizona ("the Authority") was established in 1981 by the City of Phoenix under the Industrial Financing Act, Arizona Revised Statute Section 35-701 et. seq. The Authority is an Arizona non-profit corporation and political subdivision of the State of Arizona possessing the corporate powers set forth in Section 35-706 of the Arizona Revised Statutes.

The City of Phoenix adopted the "City of Phoenix Ethics Policy" codified in the City Code, Ch. 2, Art. II, Section 2-52. Upon appointment to the Authority, each member of the Board of Directors of the Authority agreed to comply with the City of Phoenix Ethics Policy. The Authority formally adopts the following policies:

### A. ATTENDANCE

If a member fails to attend three consecutive regular meetings, or more than 50% of all meetings of the Board of Directors held over a calendar year period, the City Council may declare the seat vacant and appoint a replacement. See City Code, Art. 1 § 2-40.

**Comment:** Members of the Board of Directors are expected to attend all regularly scheduled meetings and should make every effort to do so. The City Council appointed each member of the Board for each member's experience, background and perspective in a particular policy area, and wants the benefit of each member's consideration and judgment. Moreover, the Board of Directors shall not conduct any business unless a quorum is present. Accordingly, if a member of the Board of Directors must miss a meeting because of business, vacation or illness, please advise the chairperson of the Board of Directors or Committee of the Board of Directors and the Executive Director in advance of the meeting.

### B. CONFLICTS OF INTEREST

As a political subdivision of the State of Arizona, the Authority is subject to and must comply with Arizona's Conflict of Interest Laws.

**Comment:** The Authority, members of the Board of Directors, the Executive Director and employees of the Authority must be constantly on guard against conflicts of interest. In short, a member of the Board of Directors, the Executive

## The Industrial Development Authority of the City of Phoenix, Arizona

<b>GOVERNANCE POLICY</b>	<b>No. 101</b>
SECTION 100  <b>ETHICS</b>	Original Effective Date: <b>March 11, 2008</b>
SUBJECT  <b>GENERAL ETHICS POLICY</b>	Page 2 of 7 Effective Date: <b>February 6, 2013</b>

Director or an employee of the Authority should not be involved in any activity which might be seen as conflicting with the responsibilities of his or her position with the Authority. The people of Phoenix have a right to expect that members of the Board of Directors, the Executive Director and employees of the Authority act with independence and fairness toward all groups and will not favor a few individuals or themselves. The Authority considers Conflicts of Interest a very important ethical consideration that requires its own detailed policy.

### C. CONTRACTS WITH THE CITY

Arizona law prohibits any member of the Board of Directors, the Executive Director or employee of the Authority who has, or whose relative has, "a substantial interest in any contract, sale, purchase, or service to" the Authority from participating in any way with the transaction. See A.R.S. § 38-503 (A).

**Comment:** As with other conflicts of interest, any member of the Board of Directors, the Executive Director or employee of the Authority in such a situation must (i) make known the substantial interest involved, and (ii) refrain from voting upon or otherwise participating in the transaction or the making of such contract or sale.

### D. DISCLOSURE OF CONFIDENTIAL INFORMATION

Arizona law provides that, during an individual's employment or service with the Authority and for two years thereafter, no such individual may disclose or use confidential information without appropriate authorization. See A.R.S. § 38-504(B). "Confidential information" means any and all information which is not generally known but which becomes known as a consequence of the individual's employment or service with the Authority, whether relating to the Authority or a third party, whether oral or in writing, and whether or not marked "confidential", "proprietary" or "private." "Confidential information" does not include: (i) information that was generally available to the public at the time of disclosure; (ii) information that later becomes publicly known other than through the individual's actions; or (iii) information that was already known to the individual before he/she learned it from or through his/her relationship with the Authority. Moreover, if during the individual's employment or service with the Authority, such individual learns information that constitutes a trade secret, he/she shall be obligated to maintain the secrecy of the

**The Industrial Development Authority of the City of Phoenix, Arizona**

<b>GOVERNANCE POLICY</b>	<b>No. 101</b>
SECTION 100	Original Effective Date: <b>March 11, 2008</b>
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information for so long as the information constitutes a trade secret, but in no case for less than two years after the employment or service ends, unless the Authority authorizes him/her to reveal information.

**Comment:** Members of the Board of Directors, the Executive Director and employees of the Authority may have access to important non-public information regarding the property, operations, policies or affairs of the Authority and/or of the City of Phoenix. Such information may concern real estate transactions, expansion of public facilities or other City projects. The leaking of this inside information may benefit a few at the expense of a possible monetary loss to the Authority or the City and a deterioration of public confidence. If a member of the Board of Directors, the Executive Director or employee of the Authority are privy to confidential information, such individual may not disclose that information to any private citizen and should disclose it to other public employees only on a "need to know" basis.

**E. DISCRIMINATION**

Chapter XI, Section 2 of the City Charter provides: "No person shall be appointed to, removed from or in any way favored or discriminated against with respect to any city position because of race, color, ancestry, national origin, sex, political or religious opinions or affiliations." Illegal discrimination on the basis of sexual orientation, age, marital status, pregnancy, disability, citizenship status, veteran status, or military obligation or any other basis prohibited by law is also forbidden. Harassment on the basis of sex is a violation of Title VII of the U.S. Civil Rights Act of 1964, as amended. The United States Equal Employment Opportunity Commission (EEOC) defines sexual harassment as "unwelcome" sexual advances, requests for sexual favors, and other verbal or physical conduct of a sexual nature when: 1) submission to such conduct is made wither explicitly or implicitly a term or condition of an individual's employment; 2) submission to or rejection of such conduct is used as the basis for employment decisions affecting an individual; or 3) such conduct has the purpose or effect of unreasonably interfering with an individual's work performance or creating an intimidating, hostile or offensive work environment.

**Comment:** All people must be recognized, honored and mutually respected. The United States and Arizona Constitutions, as well as numerous federal, state

**The Industrial Development Authority of the City of Phoenix, Arizona**

<b>GOVERNANCE POLICY</b>	<b>No. 101</b>
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and local laws, outlaw various forms of discrimination. The Authority should make available to every person – whether they are applying for a Board position or employment position of the Authority – every consideration, treatment, and advantage or favor that is the general practice to make available to all citizens. The equality of opportunity to enter into public service, besides being the object of various federal, state and local laws, is a central factor in achieving efficient public service and good morale. The Authority promotes an environment where all members, employees and citizens are respected and valued.

**F. EMPLOYMENT**

1. Representing Private Interests Before the Authority: For twelve months following the termination of a person’s service as a member of the Board of Directors, or employment with the Authority, Arizona law prohibits such individuals from representing another person for compensation before the Authority concerning any matter with which that individual, during their time of service to the Authority, was directly concerned and personally participated in by a substantial and material exercise of administrative discretion. See A.R.S. § 38-504(A).

**Comment:** Members of the Board of Directors, the Executive Director and employees of the Authority may appear before the Authority on behalf of constituents in the course of performing duties as a representative of the electorate or in the performance of public or civil obligations, as long as they are not representing any private person, group or interest for compensation that is contingent on such activity.

2. Employment of Relatives: Arizona law prohibits members of the Board of Directors, the Executive Director and employees of the Authority from being involved in the appointment, hiring or supervision of a relative. See A.R.S. § 38-481 and A.R. § 2.91.

**Comment:** Because hiring and supervising a relative is a special type of a conflict of interest, it must be avoided.

**G. GIFTS, FAVORS AND EXTRA COMPENSATION:** Neither any member of the Board of Directors, the Executive Director or any employee of the Authority shall



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accept any gift, service or favor that would lead toward favoritism or the appearance of favoritism in any way.

**Comment:** Board Members or employees of the Authority should not accept gifts (monetary or otherwise, such as a service, loan, thing or promise), gratuities, or favors from anyone for the performance of acts within the regular course of official duties. Board Members and employees of the Authority should refuse any gifts or favors that reasonably may be interpreted to have been offered in order to influence an Authority decision. Compensation for an Authority employee performing that employee's duty is limited to salaries, fringe benefits and any personal satisfaction that such person may derive from doing a good job. While a Board Member or employee of the Authority is the first to decide whether to accept any gift, such person must recognize that others will decide if there is "the appearance of favoritism" for such person having accepted a gift. Finally, Board Members and employees of the Authority should be wary of accepting any gifts or benefits from individuals doing business with the Authority or the City or whose financial interests are affected by Authority action.

1. Board Members and employees of the Authority must consider ethical principles before accepting personal gifts of entertainment and sports/athletic activities.

**Comment:** After the above gift policy is applied, if a Board Member or employee of the Authority accepts the entertainment or sports/athletic activity gift and does not pay for it, such Board Member or employee must declare the gift with the President of the Board, within two working days, using a "Declaration Form." Gifts must be declared regardless of whether the gifts are actually used by the Board Member or employee. If the President of the Board accepts the entertainment or sports/athletic gift and does not pay for it, the President must declare the gift with the Vice President of the Board.

There are three examples of gifts that do not require declaration:

- a. A personal gift from a friend or relative, unless that friend or relative has done business with the Authority, is doing business with the Authority or is seeking to do business with the Authority.

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- b. Winning or receiving a promotional gift from a community business, where the opportunity to win/receive the gift is open to the community in general.
- c. Board Members or employees of the Authority who pay for a ticket or elect to make a charitable contribution in the name of the donor for the face value of the gift do not need to file a declaration.
- d. Acknowledgements of voluntary service from the Authority.
- e. All other gifts accepted must be declared regardless of whether the Board Member or employee of the Authority personally used the gift.

**H. POLITICAL ACTIVITY**

As citizens, Board Members and employees of the Authority can and should exercise their rights to register and vote in all elections including City elective offices. The City Attorney, in opinion No. 60-012, determined that the provisions of Chapter XXV, Section 11 of the City Charter, do not apply to citizen members of City boards and commissions and, therefore, Board Members may participate in political campaigns for City elective officials.

**I. PUBLIC ACCESS: OPEN MEETINGS AND PUBLIC RECORDS**

Numerous Arizona and City laws require that meetings of public bodies be open to the public and that public records be available for inspection. See Open Meeting Laws (A.R.S. §§ 38-431 through 431.09 and City Charter Ch. 4 & 5) and Public Records Laws (A.R.S. §§ 39-121 through 121.03 and City Charter Ch. 4 & 21).

**Comment:** As declared in state statute, it is the official public policy of Arizona that meetings of public bodies be conducted openly. Also, Arizona law allows broad access to public records. Open government gives the public confidence that public affairs are being performed properly.

**J. USE OF EQUIPMENT, FACILITIES, OR PERSONNEL FOR PRIVATE GAIN**

Members of the Board of Directors, the Executive Director and employees of the Authority should not use Authority or City facilities, equipment, personnel or supplies for private purposes, except to the extent they are lawfully available to the public.

## The Industrial Development Authority of the City of Phoenix, Arizona

<b>GOVERNANCE POLICY</b>	<b>No. 101</b>
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**Comment:** Public respect for its government is weakened when Authority-owned or City-owned facilities and equipment are used by members of the Board of Directors, the Executive Director or employees of the Authority for personal gain. Authority or City office supplies, work materials and equipment are to be used only for the Authority work. Taking Authority or City goods for private use is not a "fringe benefit," it is stealing. See A.R.S. §13-1802. Also, it is improper (and maybe unlawful) for supervisors to use subordinates for their personal benefit. Finally, members of the Board of Directors, the Executive Director and employees of the Authority should avoid waste of public supplies and equipment.

### K. WHISTLEBLOWER POLICY

The Authority promotes ethical conduct, transparency and compliance with the law. Should any individual know of, or have a suspicion about, illegal or unethical conduct in connection with the finances or other aspect of the Authority's operations, that individual should inform the President of the Board of Directors. If the alleged wrongdoing concerns the President, then another officer or director of the Authority should be notified instead.

Should the President or another officer or director of the Authority receive information regarding alleged illegal or unethical conduct in connection with the finances or other aspect of operations, those officers or directors shall inform the full Board of Directors. The Board of Directors shall investigate all credible allegations at all times respecting the privacy and reputation of individuals involved.

There will be no punishment or other retaliation for the reporting of conduct pursuant to this policy. If the person providing the information requests anonymity, this request will be respected to the extent that doing so does not impede any investigation.

### L. PROCEDURES

Below is a key procedure to maximize the effectiveness of this policy:

- No later than 24 months after the last review period, the Board of Directors shall, upon action of the Executive Committee, review and act to continue and/or amend, or terminate this Policy.

38-431.01. Meetings shall be open to the public

A. All meetings of any public body shall be public meetings and all persons so desiring shall be permitted to attend and listen to the deliberations and proceedings. All legal action of public bodies shall occur during a public meeting.

B. All public bodies shall provide for the taking of written minutes or a recording of all their meetings, including executive sessions. For meetings other than executive sessions, such minutes or recording shall include, but not be limited to:

1. The date, time and place of the meeting.
2. The members of the public body recorded as either present or absent.
3. A general description of the matters considered.
4. An accurate description of all legal actions proposed, discussed or taken, and the names of members who propose each motion. The minutes shall also include the names of the persons, as given, making statements or presenting material to the public body and a reference to the legal action about which they made statements or presented material.

C. Minutes of executive sessions shall include items set forth in subsection B, paragraphs 1, 2 and 3 of this section, an accurate description of all instructions given pursuant to section 38-431.03, subsection A, paragraphs 4, 5 and 7 and such other matters as may be deemed appropriate by the public body.

D. The minutes or a recording of a meeting shall be available for public inspection three working days after the meeting except as otherwise specifically provided by this article.

E. A public body of a city or town with a population of more than two thousand five hundred persons shall:

1. Within three working days after a meeting, except for subcommittees and advisory committees, post on its website, if applicable, either:

(a) A statement describing the legal actions taken by the public body of the city or town during the meeting.

(b) Any recording of the meeting.

2. Within two working days following approval of the minutes, post approved minutes of city or town council meetings on its website, if applicable, except as otherwise specifically provided by this article.

3. Within ten working days after a subcommittee or advisory committee meeting, post on its website, if applicable, either:

(a) A statement describing legal action, if any.

(b) A recording of the meeting.

F. All or any part of a public meeting of a public body may be recorded by any person in attendance by means of a tape recorder or camera or any other means of sonic reproduction, provided that there is no active interference with the conduct of the meeting.

G. The secretary of state for state public bodies, the city or town clerk for municipal public bodies and the county clerk for all other local public bodies shall conspicuously post open meeting law materials prepared and approved by the attorney general on their website. A person elected or appointed to a public body shall review the open meeting law materials at least one day before the day that person takes office.

H. A public body may make an open call to the public during a public meeting, subject to reasonable time, place and manner restrictions, to allow individuals to address the public body on any issue within the jurisdiction of the public body. At the conclusion of an open call to the public, individual members of the public body may respond to criticism made by those who have addressed the public body, may ask staff to review a matter or may ask that a matter be put on a future agenda. However, members of the public body shall not discuss or take legal action on matters raised during an open call to the public unless the matters are properly noticed for discussion and legal action.

I. A member of a public body shall not knowingly direct any staff member to communicate in violation of this article.

J. Any posting required by subsection E of this section must remain on the applicable website for at least one year after the date of the posting.

## Item 6



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**MEMORANDUM**

**DATE:** March 9, 2017

**TO:** Members, Board of Directors

**FROM:** Sal Rivera, President, Board of Directors

**SUBJECT:** President's Report

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- A. 2017 Communications and Marketing Plan** - Staff presented the Plan to the Communications and Government Affairs (CGA) Committee during its meeting on January 19, 2017. Committee members decided to delay a vote to approve the Plan until the March 29, 2017 meeting to allow time to discuss the Messaging Toolkit with staff and offer input. Individual meetings are underway with each CGA Committee member and staff will incorporate input prior to the March CGA meeting. Once the Plan is approved, staff will present the Plan for information to the full Board of Directors.
- B. Phoenix IDA Today Newsletter** - In January 2017, the Phoenix IDA began distributing an electronic newsletter titled, "Phoenix IDA Today." This new digital communication tool is sent monthly to a growing email subscription list of approximately 500 stakeholders. The newsletter consists of news about the organization and highlights from recent bond transactions, Community Development Fund Awards, events sponsored by the Phoenix IDA, as well as the agenda for the upcoming Board of Directors meeting.
- C. Community Development Fund Award Update** – In December 2016, a review panel from the Phoenix IDA and ACF reviewed and approved five applications for a total of \$190,000. This completed the second Community Development Fund (CDF) award cycle. A total of 12 applications were considered. The third award cycle (November 1, 2016 - December 22, 2016), received 24 letters of intent (LOIs). Of those 24 LOIs, seven organizations were invited to complete the full application. Panel members representing ACF and the Phoenix IDA will review and score those applications in the next few weeks. A detailed list of applications and an update on the second and third cycles will be presented at the next quarterly meeting of the Community Impact Fund Committee.
- D. Property Update: SW corner of 3<sup>rd</sup> Street and McDowell Road** - Staff is exploring options for the future of this property. One option is to pursue a joint venture mixed use redevelopment project in collaboration with the Arizona School for the Arts (ASA) and Phoenix First Congregational United Church of Christ (PFC). This option would require us to completely redesign the properties to better serve the needs of ASA and PFC, while also including other uses such as multi-family residential, office and retail. To determine the potential cost and feasibility of this option, together with ASA and PFC, we are engaging developers through a request for interview (RFI) process. Should this project not prove to be viable, we will explore other options or place the property for sale on the open market.