



**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, September 14, 2017 at 3:30 pm** located at **Phoenix City Hall, 200 W. Washington Street, 20th Floor East Conference Room, Phoenix, Arizona**. The Board may consider a motion to go into executive session in accordance with A.R.S. §§38-431.03(A)(7) for Item 4, (A)(1) for Item 5 and (A)(3) for Item 6.

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. July 13, 2017 – Regular Session
- b. August 10, 2017 – Regular Session
- c. August 23, 2017 – Regular Session

2. August 17, 2017 Finance Committee Report.

- a. Financial statements for the period ending June 30, 2017.
- b. Operating Budget for FY 2018.

3. Board Resolution – Phoenix IDA Officers. Presentation, discussion and possible action to approve certain Phoenix IDA officer designations, powers and responsibilities.

4. Board Resolution – Real Estate Purchase. Presentation, discussion and possible action to approve the purchase of real estate by the Phoenix IDA.

5. Personnel Matters.

6. Public Finance. Presentation and discussion regarding bond financing applicants.

7. President’s Report.

8. 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/602-534-5500, as early as possible to coordinate needed arrangements.

Date Posted: September 12, 2017

Item 1

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

July 13, 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, July 13, 2017 at 3:30 p.m., at Phoenix City Hall, 200 West Washington Street, 20th Floor, East Conference Room, Phoenix, Arizona.

Board Members present:

Mr. David Lujan
Mr. Bruce Mosby (*telephonic*)
Ms. Darcy Renfro
Mr. Lawrence Robinson (*telephonic*)
Ms. Barbara Ryan Thompson (*telephonic*)
Ms. Charlene Tarver

Board Members absent:

Ms. Nicole Ong Colyer
Mr. Sal Rivera
Ms. Christa Severns

Also present for all or portions of the meeting were:

Mr. James Barham, Phoenix IDA
Mr. Murray Boess, Phoenix IDA
Mr. Ed Celaya, Mutual of Omaha Bank
Ms. Sarah Cline, Phoenix IDA
Ms. Jennifer Demoney, Phoenix IDA
Ms. Gina Flores, Phoenix IDA
Ms. Stacy Houston, Raymond James
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

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 Lujan called the Board meeting to order at 3:39 p.m. A quorum was noted.

ITEM 1: Approval of Meeting Minutes

Meeting minutes for the June 8, 2017 Board of Directors regular session were presented for approval. Director Renfro moved to approve the minutes. Director Tarver seconded the motion. **Motion carried unanimously.**

ITEM 2: Neighborhood Outreach Access to Health (NOAH) Loan Participation

Mr. Salgado introduced the item, and asked Mr. Magallanez to brief the Board members on the request for the Phoenix IDA's participation in a loan to Neighborhood Outreach Access to Health (NOAH).

The Board was briefed on the proposed terms of the loan participation agreement, as reflected in the Phoenix IDA's records for this meeting, which are available upon request.

Mr. Magallanez introduced Mr. Lincoln who explained the role of the Arizona Community Foundation in the loan to NOAH and in the participation agreement.

Directors Renfro and Tarver inquired as to the demographic of those served by NOAH. Mr. Lincoln and Mr. Celaya explained that no one is denied service and that youth compose a high population of those who receive services.

Director Tarver moved to approve participation in the Arizona Community Foundation loan to NOAH in an amount of up to \$500,000 and to authorize the Executive Director to execute all documents necessary to accomplish the participation. Director Renfro seconded the motion. **Motion carried unanimously.**

ITEM 3: Personnel Matters

This item was tabled.

ITEM 4: Phoenix IDA Articles of Incorporation and By-Laws

This item was tabled.

ITEM 5: Home in Five Quarterly Report

Mr. Boess introduced Ms. Houston and requested that she brief the Board on the quarterly report for the Home in Five Advantage Program.

Ms. Houston 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 6: President's Report

Mr. Salgado referred Board members to the President's report, which covered the following: Community Sponsorship, codePHX Initiative, Three-Year Strategic Plan, and the Lend a Hand 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 7: Call to the Public

Director Lujan 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 4:13 p.m.

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

August 10, 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 via teleconference on Thursday, August 10, 2017 at 3:00 p.m., Phoenix, Arizona.

Board Members present:

Mr. Sal Rivera
Mr. Bruce Mosby
Ms. Darcy Renfro
Mr. Lawrence Robinson
Ms. Christa Severns
Ms. Charlene Tarver

Board Members absent:

Mr. David Lujan
Ms. Nicole Ong Colyer
Ms. Barbara Ryan Thompson

Also present for all or portions of the meeting were:

Mr. James Barham, Phoenix IDA
Ms. Jennifer Demoney, Phoenix IDA
Ms. Gina Flores, Phoenix IDA
Ms. Bridgette Finley Green, Greenberg Traurig
Mr. Corey Kennedy, Legacy Traditional Schools
Ms. Lydia Lee, Phoenix IDA
Ms. Kelly McGuire, Kutak Rock
Mr. C.W. Ross, Fennemore Craig, P.C.
Mr. Juan Salgado, Phoenix IDA
Mr. Mike Santellanes, Phoenix IDA
Mr. Terry Warren, Warren Charter Law

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 3:06 p.m. A quorum was noted.

ITEM 1: Education Facility Revenue Bonds (Legacy Traditional Schools Projects), Series 2017

Mr. Salgado introduced the item and briefed the Board on the changes in the financing structure for the project, as reflected in the Phoenix IDA’s records for this meeting, which are available upon request. Mr. Salgado also noted that Mr. Corey Kennedy was present at the meeting representing the applicant.

Ms. McGuire, legal counsel for the Phoenix IDA for this transaction, advised the Board that her firm had conducted a legal review of the project and documents and recommended approval of the project.

Director Renfro moved to approve **Resolution 2017-07** as presented by the executive director and legal counsel to the Phoenix IDA. Director Robinson seconded the motion. **Motion carried unanimously.** A copy of **Resolution 2017-07** hereto, and by this reference is made a part hereof.

ITEM 2: **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 3:13 p.m.

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

August 23, 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 via teleconference on Wednesday, August 23, 2017 at 1:00 p.m., Phoenix, Arizona.

Board Members present:

Mr. Bruce Mosby
Ms. Nicole Ong Colyer
Ms. Darcy Renfro
Mr. Sal Rivera
Mr. Lawrence Robinson
Ms. Barbara Ryan Thompson
Ms. Christa Severns
Ms. Charlene Tarver

Board Members absent:

Mr. David Lujan

Also present for all or portions of the meeting were:

Mr. James Barham, Phoenix IDA
Ms. Jennifer Demoney, Phoenix IDA
Mr. Dane K. Fernandez, Kutak Rock
Ms. Bridgette Finley Green, Greenberg Traurig
Mr. Corey Kennedy, Legacy Traditional Schools
Ms. Lydia Lee, Phoenix IDA
Ms. Kelly McGuire, Kutak Rock
Mr. C.W. Ross, Fennemore Craig, P.C.
Mr. Juan Salgado, Phoenix IDA
Mr. Mike Santellanes, Phoenix IDA
Mr. Terry Warren, Warren Charter Law

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 Ryan Thompson call the Board meeting to order at 1:04 p.m. A quorum was noted.

ITEM 1: Education Facility Revenue Bonds (Legacy Traditional Schools – Phoenix Campus) Series 2017.

Mr. Salgado introduced the item, and asked Mr. Santellanes to brief the Board members on the request for the Education Facility Revenue Bond (legacy Traditional Schools – Phoenix Campus) Series 2017.

The Board was briefed on the proposed request for approval of the issuance in one or more tax-exempt and/or taxable series in an aggregate principal amount not to exceed \$30,000,000.

Mr. Salgado introduced Ms. McGuire who provide a brief legal analysis, further recommending approval.

Mr. Salgado introduced Mr. Kennedy who provided the Board with his appreciation for the opportunity to enhance the community with the issuance of the bond.

Director Renfro inquired how many schools are now supported in total and asked at what point is the market saturated. Ms. Finley Greene provided a reply to advise the Board results of a survey which indicated families will drive a distance due to a wait list at another location.

Mr. Salgado continued with the suggestion of revisiting this conversation in the future with the final data, which was agreed upon.

Director Severns moved to approve the Education Facility Revenue Bond (legacy Traditional Schools – Phoenix Campus) Series 2017 for the aggregate principal amount not to exceed \$30,000,000. Director Mosby seconded the motion. **Motion carried unanimously.**

ITEM 02: Qualified Zone Academy Bonds (George Gervin Preparatory Academy Project), Series 2012.

Mr. Salgado introduced the Qualified Zone Academy Bonds (George Gervin Preparatory Academy Project), Series 2012 and asked Mr. Fernandez to brief the Board members.

Mr. Fernandez briefed the Board members on the request to amend the terms of the Bond Indenture and Loan Agreement to allow for the sale of certain property that secures the repayment of the Bonds, as reflected in the Phoenix IDA’s records for this meeting, which are available upon request.

Director Mosby moved to approve the request to amend the terms of the Bond Indenture and Loan Agreement. Director Severns seconded the motion. **Motion carried unanimously.**

ITEM 00: Call to the Public

Director Ryan Thompson 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 1:20 p.m.

Item 2



MEMORANDUM

DATE: September 14, 2017
TO: Members, Board of Directors
FROM: David Lujan, Treasurer
SUBJECT: August 18, 2017- Finance Committee Report

BACKGROUND

The Finance Committee met on August 18, 2017 and reviewed the items below.

Audit of the Financial Statements for the Year Ending June 30, 2017

Ronald Stearns and Jean Dietrich of CliftonLarsonAllen, LLP (CLA) discussed the upcoming audit of the financial statements for FY 2017, for which field work is scheduled to begin in September 2017. This item is presented for your information only.

Financial Statements for the Period Ending June 30, 2017

Attached for your review and consideration are highlights of the Phoenix IDA's financial statements for the period ending June 30, 2017. The notes below are provided to supplement the information contained in the financial statements.

Statement of Net Position (Balance Sheet)

Due from Related Company: balance increased by \$826,271 from cost basis to the 2017 appraised value as of fiscal year-end June 30, 2017, as required under GASB 72.

Current Liabilities: includes end of fiscal year expenses accrued, but not yet paid, for Community Development Fund awards, and employee salaries and benefits, including employer and employee contributions to the deferred compensation plan.

Allocated Funds: increases approved by the Board for FY 2018 shown in total.

Statement of Revenues, Expenses and Changes in Net Position (Income Statement)

Operating Revenue:

Bond Redemption: revenue from redemption of the last two outstanding single family bond issues, subseries 2007, resulting in no Single Family Issuer Fees received after August 2016.

User Assessment Fees: one-time Issuer Assessment Fees received in July and October 2016.

Residential Mortgage Program Fees: higher than expected loan volume in Home in Five Advantage Program resulting in increased revenues.

Community Development Fund: \$313,000 for the Round 3 ACF Awards, \$100,000 for FY 2018 accrual of CodePHX award.

Bad Debt Expense: current and prior year issuer fees that are likely uncollectible from Brighter Choice, Vieste, and Yuma Assisted Living bond issues.

Total operating expenses for FY 2017 were below budgeted expense levels in all areas. Revenues for the year exceeded budgeted revenues, primarily due to the one-time Issuer Assessment Fees received in July and October 2016 and higher than expected Residential Mortgage Program fees.

Budget Adjustment

In March 2017, the Board approved the allocation of up to \$70,000 to the Lend a Hand Program, 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.

This program was developed with Marisol Federal Credit Union (MFCU) to underwrite and service the loans, Take Charge America to provide the credit counseling services, and Arizona Community Foundation (ACF) who, along with the Phoenix IDA, would share in providing a 10% loan loss reserve fund and pay for the cost of providing the credit counseling services to every borrower.

As of June 2017, ACF and the Phoenix IDA had funded \$35,000 each with MFCU, \$20,000 each for loan loss reserve and \$15,000 each for credit counseling. The Phoenix IDA’s related FY 2018 expenses were not included in the original proposed budget for FY 2018. We request the Board approve a FY 2018 budget adjustment of:

Credit Counseling	\$14,950
Loan Loss Reserve	\$10,000
Other Costs	<u>\$ 5,000</u>
Total	\$29,950

Recommendation

I recommend Board approval of the Phoenix IDA’s financial statements for the period ending June 30, 2017. I also recommend the Board approve the budget adjustment detailed above.

**Statement of Net Position
June 30, 2017**

Assets

Current Assets	
Cash and cash equivalents	\$ 2,992,558
Certificates of Deposit	17,021,156
Receivables	371,203
Other current assets	25,459
Total Current Assets	\$ 20,410,377
Noncurrent Assets	
Investments	\$ 1,319,415
Long term notes receivable, net	1,614,493
Land Receivable	137,593
Fixed Assets	3,388,649
Due from Related Company	40,000
Related Company Stock	2,000,000
Total Noncurrent Assets	\$ 8,500,150
Total Assets	\$ 28,910,527

Liabilities and Net Position

Current Liabilities	
Accounts payable	\$ 33,553
Accrued expenses	539,147
Deferred Loan Fees	29,913
Total Current Liabilities	\$ 602,613
Allocated Funds	26,225,000
Net Assets - Unrestricted	2,082,913
Total Liabilities and Net Assets	\$ 28,910,527



**Statement of Revenues, Expenses and Changes in Net Position
For the Month and Year to Date as of June 30, 2017**

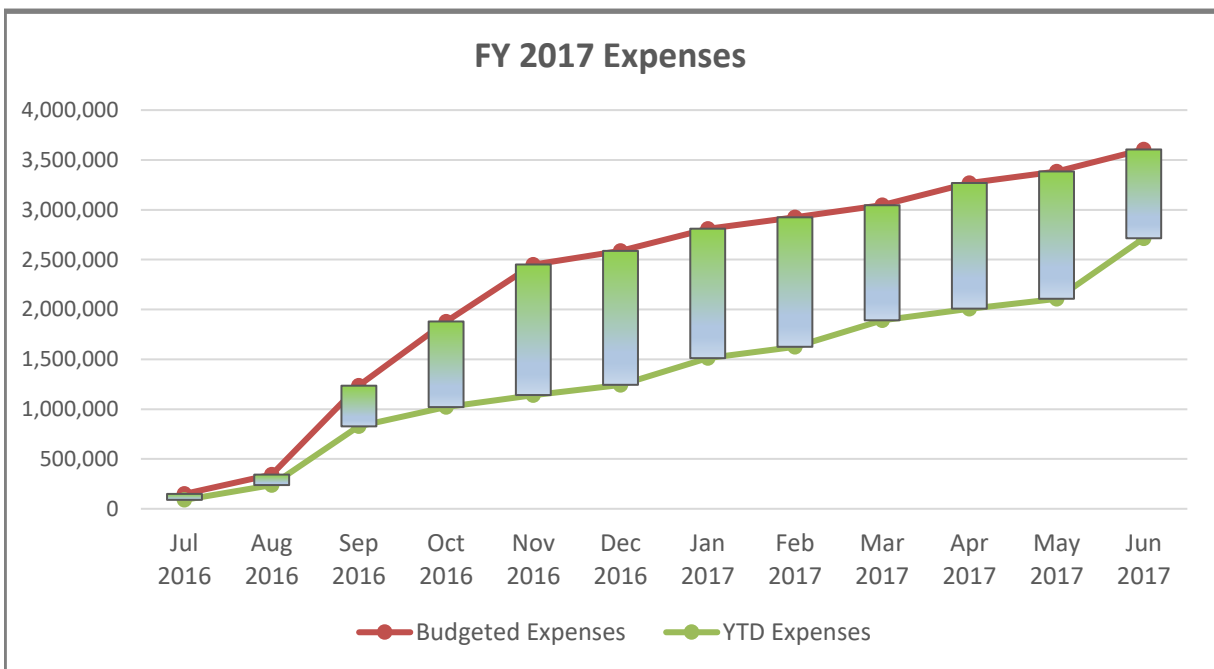
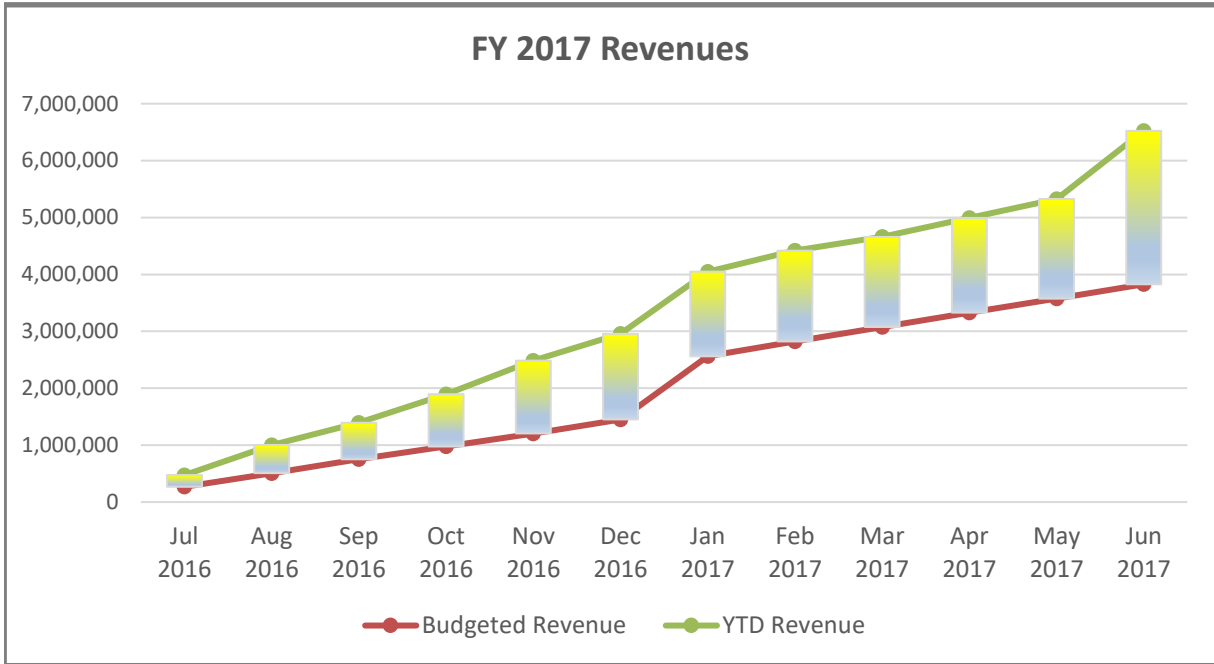
	June-17 Current	Actual	Year to Date Budget	Variances	Annual Budget
Operating Revenue					
Bond Redemption	\$ 10,928	\$ 63,692	\$ 0	\$ 63,692	\$ 0
User Assessment Fees	7,323	1,378,758	1,070,000	308,758	1,070,000
Residential Mortgage Program Fees	285,038	3,851,179	2,595,000	1,256,179	2,595,000
Fee Income	8,955	65,355	67,000	(1,645)	67,000
Total Operating Revenue	<u>\$ 312,244</u>	<u>\$ 5,358,985</u>	<u>\$ 3,732,000</u>	<u>\$ 1,626,985</u>	<u>\$ 3,732,000</u>
Operating Expenses					
General and Administration	\$ 188,249	\$ 1,379,849	\$ 1,477,500	\$ 97,651	\$ 1,477,500 ¹
Bond Administration	1,500	9,716	19,500	9,784	19,500
Other Programs	100	40,857	60,250	19,393	60,250
Community Development Fund	413,000	1,138,000	1,782,770	644,770	1,782,770 ^{1,2}
Program and Project Development	4,248	144,634	250,515	105,881	250,515 ³
Loan Portfolio Administration	0	1,072	14,500	13,428	14,500
Total Operating Expenses	<u>\$ 607,097</u>	<u>\$ 2,714,128</u>	<u>\$ 3,605,035</u>	<u>\$ 890,907</u>	<u>\$ 3,605,035</u>
Operating Income	\$ (294,853)	\$ 2,644,856	\$ 126,965	\$ 2,517,891	\$ 126,965
Non-Operating Revenue					
Interest income	\$ 27,449	\$ 204,186	\$ 95,500	\$ 108,686	\$ 95,500
Net increase in the fair value of investments	857,478	959,954	0	959,954	0
Total Non-Operating Revenue	<u>\$ 884,927</u>	<u>\$ 1,164,139</u>	<u>\$ 95,500</u>	<u>\$ 1,068,639</u>	<u>\$ 95,500</u>
Other Expenses					
Bad Debt Expense	\$ 83,656	\$ 83,656	\$ 0	\$ (83,656)	\$ 0
Change in Net Position	<u>\$ 506,418</u>	<u>\$ 3,725,340</u>	<u>\$ 222,465</u>	<u>\$ 3,502,875</u>	<u>\$ 222,465</u>

¹ Reflects changes to budget approved by Board on September 8, 2016

² Reflects changes to budget and CDF allocation approved by Board on October 13, 2016

³ Reflects changes to budget approved by Board on February 9, 2017

Phoenix IDA Budget vs. Actual Through June 30, 2017



Item 3

RESOLUTION NO. 2017-10

**RESOLUTIONS OF THE
BOARD OF DIRECTORS OF
THE INDUSTRIAL DEVELOPMENT AUTHORITY OF
THE CITY OF PHOENIX, ARIZONA**

The Board of Directors (the "Board") of The Industrial Development Authority of the City of Phoenix, Arizona (the "Phoenix IDA") adopted the following resolutions at a duly convened meeting of the Board held in Phoenix, Arizona on July 13, 2017:

BOARD CHAIR

RESOLVED, that pursuant to Section 3.2 of the Phoenix IDA's Second Amended and Restated Bylaws, the Board hereby establishes the office of Board Chair of the Phoenix IDA. The Board Chair shall, if present, preside at meetings of the Board and exercise and perform such other powers and duties as may from time to time be assigned to the Board Chair by the Board. The president of the Phoenix IDA shall be appointed as the Board Chair and shall serve at the pleasure of the Board.

EXECUTIVE DIRECTOR

RESOLVED, that pursuant to Section 3.2 of the Phoenix IDA's Second Amended and Restated Bylaws, the Board hereby establishes the office of Executive Director of the Phoenix IDA. The Executive Director shall be the Chief Executive Officer of the Phoenix IDA. Subject to the supervisory powers of the Board, the Executive Director, if any, shall, subject to the control of the Board, have general supervision, direction, and control of the business and affairs of the Phoenix IDA and shall report directly to the Board. All other employees and agents of the Phoenix IDA shall report directly or indirectly to the Executive Director. The Executive Director shall see that all orders and resolutions of the Board are carried into effect. The Executive Director shall be authorized to, on behalf of the Phoenix IDA, sign all contracts, agreements, and all other instruments requiring execution on behalf of the Phoenix IDA, subject to policies established by the Board. Subject to the rights, if any, of an Executive Director under any contract of employment, the Executive Director may be removed, either with or without cause, by an affirmative vote of the majority of the Board at any regular or special meeting of the Board. The Executive Director may resign at any time by giving written notice to the Phoenix IDA. Any resignation shall take effect at the date of the receipt of that notice or at any later time specified in that notice. Unless otherwise specified in the notice of resignation, the acceptance of the resignation shall not be necessary to make it effective. Any resignation is without prejudice to the rights, if any, of the Phoenix IDA under any contract to which the officer is a party. Juan Salgado is hereby appointed as the Executive Director of the Phoenix IDA.

Bruce Mosby
Secretary

Item 4
Executive Session



MEMORANDUM

DATE: September 14, 2017
TO: Members, Board of Directors
FROM: Juan Salgado, Executive Director
SUBJECT: Maricopa County Parcel Acquisition

BACKGROUND

Pursuant to their Choice Neighborhoods Planning and Action Grant efforts, the City of Phoenix Housing Department has requested Phoenix IDA assistance in acquiring a 3.66-acre parcel owned by Maricopa County located at 1825 East Roosevelt Street in Phoenix. Acquiring this property will help the Housing Department build upon its current planning efforts to redevelop the existing, obsolete public housing sites with new, mixed income housing communities. After a holding period, (not to exceed three years) the Housing Department will purchase the property at the then current appraised price. Should the Housing Department forgo its option to purchase the property within the holding period the Phoenix IDA will proceed with the alternative exit strategy of selling the property in the open market.

Maricopa County intends to sell this parcel to the Phoenix IDA based on ARS 11-251(9), which allows the County's Board of Supervisors to sell property to any other duly constituted governmental entity (such as the Phoenix IDA) at appraised value without public auction. This property has been appraised at \$480,000.

REQUEST

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

RESOLUTION NO. 2017-11

RESOLUTION OF THE BOARD OF DIRECTORS OF THE INDUSTRIAL DEVELOPMENT AUTHORITY OF THE CITY OF PHOENIX, ARIZONA GRANTING APPROVAL TO THE ACQUISITION OF THAT CERTAIN REAL PROPERTY KNOWN AS 1825 E. ROOSEVELT STREET, PHOENIX, ARIZONA FOR THE SUM OF \$480,000; AUTHORIZING THE EXECUTION AND DELIVERY OF A PURCHASE AGREEMENT AND ESCROW INSTRUCTIONS; APPROVING THE TERMS OF THE PURCHASE AGREEMENT AND ESCROW INSTRUCTIONS AND THE RELATED CLOSING DOCUMENTS TO BE EXECUTED BY THE INDUSTRIAL DEVELOPMENT AUTHORITY OF THE CITY OF PHOENIX, ARIZONA; RATIFYING CERTAIN ACTIONS HERETOFORE TAKEN IN CONNECTION WITH THE ACQUISITION; AND AUTHORIZING OTHER ACTIONS NECESSARY IN CONNECTION WITH THE COMPLETION OF THE ACQUISITION.

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 A.R.S. §§ 35-706(A)(1) of the Industrial Development Financing Act, as amended (the “Act”), to acquire by purchase one or more projects for the purposes set forth in the Act; and

WHEREAS, the Authority has entered into negotiations with respect to a Purchase Agreement and Escrow Instructions (“Contract”) with Maricopa County, a political subdivision of the State of Arizona (“Seller”) whereby the Authority intends to acquire (the “Acquisition”) that certain property known as 1825 E. Roosevelt Street, Phoenix, Arizona 85004 (the “Property”) for the sum of \$480,000 (the “Purchase Price”); and

WHEREAS, the Seller and the title company set forth in the Contract have provided, or will provide to the Authority the documents required to complete the Acquisition (collectively, the “Acquisition Documents”) and now request the consent of the Authority to such Acquisition.

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. Conditional Consent to Acquisition. Upon satisfaction of all conditions referenced in Section 2 below, the Authority hereby consents to the Acquisition of the Property from the Seller for an amount not to exceed the Purchase Price.

Section 2. Conditions. The Authority’s consent to the Acquisition is subject to the satisfactory completion of all conditions to the “Close of Escrow” as defined in the Contract and the Authority’s receipt of the Acquisition Documents and any other instruments which counsel to the Authority reasonably deems to be necessary or appropriate under the circumstances.

Section 3. Approval of Contract. The Authority hereby consents to the Contract in generally the form presented in this meeting, with such changes, additions or deletions as may be approved by counsel to the Authority.

Section 4. Execution of Documents and Further Actions. The Executive Director of the Authority is authorized to enter into, execute and deliver the Contract, the Acquisition Documents and any other agreement, amendment or other document or consent, upon advice of counsel to the Authority, deemed necessary or appropriate (a) to evidence the foregoing actions, or (b) to carry out the intent of this Resolution.

Section 5. Ratification of Actions. All actions (not inconsistent with the provisions of this Resolution) heretofore taken by or at the direction of the Authority and its directors, officers, counsel, advisors, agents or its Executive Director, including but not limited to the engagement of Kutak Rock LLP, as the Authority's counsel, directed toward the completion of the Acquisition, are hereby approved and ratified.

Section 6. Further Actions. The Executive Director of the Authority, upon satisfaction of the conditions set forth in Section 2 hereof, shall take all action necessary or reasonably required to carry out, give effect to and consummate the transactions contemplated hereby, including without limitation, the execution and delivery of the closing and other Acquisition Documents required to be delivered in connection with the Acquisition.

Section 7. Severability. If any section, paragraph, clause or provision of this Resolution shall for any reason be 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 8. Waiver. Any provision 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 reviving any bylaw, order, procedural pamphlet or resolution or any part thereof.

Section 9. Open Meeting Laws. It is found and determined that all formal actions of the Authority and its Board of Directors 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 Authority and the State of Arizona.

Section 10. Effectiveness. This Resolution shall take effect immediately.

Section 11. Liability. 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 completion of the Acquisition.

Section 12. Headings. Subject headings included in this Resolution are included for purpose of convenience only and shall not affect the construction or interpretation of any of its provisions.

Section 13. Notice. 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.

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PASSED, ADOPTED, AND APPROVED on this 14th day of September, 2017.

THE INDUSTRIAL DEVELOPMENT AUTHORITY
OF THE CITY OF PHOENIX, ARIZONA

By: _____
Juan Salgado, Executive Director

Item 5
Executive Session

Item 6
Executive Session

Item 7



MEMORANDUM

DATE: September 14, 2017

TO: Members, Board of Directors

FROM: Sal Rivera, President, Board of Directors

SUBJECT: President's Report

- A. codePHX** – The press launch for codePHX will be held on **Tuesday, September 19, 2017 - 4:00 pm at the Palo Verde Library/Maryvale Community Center**. This event will serve as the official launch of the program which will be offered at 12 sites across the city (eight libraries and four community centers) during its first year. The Board of Directors approved an award of \$250,000 on March 9, 2017 in support of this city-wide program. Board members should have received an email blast invitation from OH Strategic Communications to attend the press launch. We encourage you to join the City of Phoenix, Mayor Stanton and Councilman Valenzuela as they share the codePHX program with media and the broader community.
- B. Board Officer Elections** - Board members were sent information on August 23, 2017 from Nominating Committee Chair, Sal Rivera, regarding board officer nominations and the election process for 2018. Please remember to return the “certificate of nomination” forms to Ms. Lee by no later than **Wednesday, September 13, 2017**. Questions regarding the nomination process should be directed to Mr. Salgado.
- C. Three-Year Strategic Plan** – The strategic plan project is progressing on schedule. After performing the initial environmental scan, Flanagan-Hyde Associates proceeded by conducting three staff focus groups to identify goals and objectives for the three-year strategic plan period. This information will be compiled into a strategic plan document that will be presented to the Board for review and consideration at the October 12, 2017 meeting.
- D. 207 E. McDowell Rd. Building** – The Phoenix IDA is continuing to work with the Arizona School for the Arts (ASA) as they aim to assemble the necessary partners and financing to purchase the property at the appraised value of \$2MM. ASA has been given until the end of October 2017 to submit a letter of intent to purchase the property . After consideration of that offer a final exit strategy will be pursued which could entail either selling the property to ASA or offering the property for sale on the open market.
- E. Employee Handbook Update** – In support of its commitment to being an employer of choice, the Phoenix IDA regularly reviews its employment practices and policies. The primary 2017 update to the Phoenix IDA Employee Handbook is the implementation of paid sick leave as required by Proposition 206, the Fair Wages and Healthy Families Act, which went into effect on July 1, 2017. Phoenix IDA employees accrue one hour of paid sick leave for every 30 hours worked, up to an annual maximum of 24 hours. Mr. Barham briefed the Executive Committee regarding all text changes to the Employee Handbook, and Mr. Salgado provided a strategic

overview. The Executive Committee provided direction to the Phoenix IDA staff with respect to implementing the updates.