



**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, December 14, 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 Meeting Minutes.

- a. November 9, 2017 – Regular Session
- b. November 9, 2017 – Executive Session
- c. November 16, 2017 – Regular Session

2. Phoenix IDA Strategic Plan for 2018 - 2020. Presentation, discussion and possible action to approve the Phoenix IDA Strategic Plan for 2018-2020.

3. Nonprofit Loan Participation Program. Presentation, discussion and possible action to approve the creation of a Phoenix IDA Nonprofit Loan Participation Program.

4. 2017 Multifamily Housing Tax Regulatory Agreements Annual Report.

5 Chairman's Report.

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

Adjournment

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

Date Posted: December 12, 2017

Item 1

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

November 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, November 9, 2017 at 3:30 p.m., at Phoenix City Hall, 200 W. Washington, 20th Floor, East Conference Room, Phoenix, Arizona.

Board Members present:

Mr. Bruce Mosby (*telephonic*)
Mr. David Lujan
Ms. Nicole Ong Colyer (*telephonic*)
Ms. Darcy Renfro (*telephonic*)
Mr. Sal Rivera (*telephonic*)
Mr. Lawrence Robinson (*telephonic*)
Ms. Barbara Ryan Thompson (*telephonic – 4:10 p.m.*)
Ms. Christa Severns (*telephonic*)
Ms. Charlene Tarver

Board Members absent:

Also present for all or portions of the meeting were:

Mr. James Barham, Phoenix IDA
Mr. Murray Boess, Phoenix IDA
Ms. Jhen Chambers, Doorway Home Loans
Ms. Jennifer Demoney, Phoenix IDA
Ms. Jean Dietrich, CliftonLarsonAllen, LLP
Ms. Gina Flores, Phoenix IDA
Mr. Roy Inzunza, Doorway Home Loans
Ms. Lydia Lee, Phoenix IDA
Mr. Joseph Losada, Phoenix IDA
Mr. Mark O’Brien, Raymond James
Dr. Marcus Osborn, Kutak Rock (*telephonic – 3:58 p.m.*)
Mr. C.W. Ross, Fennemore Craig, P.C.
Mr. Juan Salgado, Phoenix IDA
Mr. Ronald Stearns, CliftonLarsonAllen LLP

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 3:36 p.m. A quorum was noted.

ITEM 1: Approval of Meeting Minutes.

Meeting minutes for the October 12, 2017 Board of Directors regular session were presented for approval. Director Lujan moved to approve the minutes. Director Tarver seconded the motion. **Motion carried unanimously.**

ITEM 2: Financial Audit for period ending June 30, 2017.

Mr. Salgado introduced Ms. Dietrich and requested she brief the Board members on the audit conducted for the fiscal year ending June 30, 2017.

Ms. Dietrich highlighted information from the report and audit as reflected in the Phoenix IDA's records for this meeting (available upon request).

Director Tarver moved to ratify the Finance Committee's approval of the Phoenix IDA's Audited Financial Statements for the period ending June 30, 2017. Director Lujan seconded the motion. **Motion carried unanimously.**

ITEM 3: Financial Statements for period ending September 30, 2017.

Mr. Salgado introduced Mr. Boess and requested he brief the Board on the financial statements for the period ending September 30, 2017.

Mr. Boess presented the financial statements to the Board as reflected in the Phoenix IDA's records for this meeting (available upon request).

Director Lujan moved to ratify the Finance Committee's approval of the Phoenix IDA's Financial Statements for the period of September 30, 2017. Director Tarver seconded the motion. **Motion carried unanimously.**

ITEM 4: Home in Five Advantage Program Report.

Mr. Salgado introduced Mr. O'Brien, and requested that he brief the Board on the quarterly report for the Home in Five Advantage Program.

Mr. O'Brien briefed the Board on the Home in Five Advantage Program, as reflected in the Phoenix IDA's records for this meeting (available upon request).

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

ITEM 5: Tax Cuts and Jobs Act.

Mr. Salgado introduced Mr. Osborn and requested he brief the Board on the item.

Mr. Osborn briefed the Board, provided highlights and updates on the Tax Cuts and Jobs Act.

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

ITEM 6: Personnel Matters.

Mr. Salgado made a request to go into executive session for Item 6. Director Tarver moved to go into executive session. Director Lujan seconded the motion.

Executive session convened at 4:10 p.m.

Regular session reconvened at 4:48 p.m.

ITEM 7: Chairman's Report.

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

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

ITEM 8: 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 4:49 p.m.

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

November 16, 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, November 16, 2017 at 10:00 a.m. at the Calvin C. Goode Municipal Building, 251 West Washington Street, 9th Floor, Conference Room 910, Phoenix, Arizona.

Board Members present:

Mr. Bruce Mosby (*telephonic*)
Ms. Nicole Ong Colyer (*telephonic*)
Ms. Darcy Renfro (*telephonic*)
Mr. Sal Rivera (*telephonic*)
Ms. Barbara Ryan Thompson (*telephonic*)
Ms. Charlene Tarver (*telephonic*)

Board Members absent:

Mr. David Lujan
Mr. Lawrence Robinson
Ms. Christa Severns

Also present for all or portions of the meeting were:

Mr. James Barham, Phoenix IDA
Mr. Reid Butler, Butler Housing
Ms. Jennifer Demoney, Phoenix IDA
Mr. David Dewar, Mode Apartments
Mr. Quinn Gormley, CohnReznick
Ms. Lydia Lee, Phoenix IDA
Ms. Amber Leuer, Mode Apartments
Mr. Les Litwin, Mode Apartments
Mr. Chuck Lotzar, Lotzar Law Firm
Ms. Kelly McGuire, Kutak Rock
Ms. Sarona Saaden, CohnReznick
Mr. Juan Salgado, Phoenix IDA
Mr. Mike Santellanes, Phoenix IDA

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

Director Rivera called the Board meeting to order at 10:04 a.m. A quorum was noted.

ITEM 1: Multifamily Housing Revenue Bonds (Nineteen Apartments Project), Series 2018.

Mr. Salgado introduced the item and asked Mr. Santellanes to brief the Board on the request.

Mr. Santellanes briefed the Board on the Multifamily Housing Revenue Bonds (Nineteen Apartments Project), Series 2018, which is a request of issuance in one or more tax-exempt and/or taxable series, in an aggregate principal amount not to exceed \$18,000,000 to finance a project for Camelback at The Stop, LLC, as reflected in the Phoenix IDA's records for this meeting (available upon request).

Mr. Salgado asked Ms. McGuire, legal counsel for the Phoenix IDA transaction, to brief the Board.

Ms. McGuire briefed the Board, providing her recommendation of the approval and issuance of the request.

Mr. Salgado introduced Mr. Dewar, asking that he provide a project update.

Mr. Dewar briefed the Board and provided an overview of the project.

Director Ryan Thompson moved to approve **Resolution 2017-16** as presented by the executive director and legal counsel to the Phoenix IDA. Director Mosby seconded the motion. **Motion carried unanimously.** A copy of **Resolution 2017-16** is attached hereto, and by the reference is made part hereof.

ITEM 2: **Agreement for Purchase and Sale of Property.**

Mr. Salgado introduced the item and asked Mr. Barham to brief the Board on the conditional sale of real estate by the Phoenix IDA.

Mr. Barham briefed the Board on the possible action to approve the conditional sale of real estate known as 1825 E. Roosevelt Street, Phoenix, Arizona.

Director Ong Colyer asked Mr. Barham to confirm that the indemnifications will remain at the current standard. Mr. Barham confirmed all remains as it is for the residual eleven-month period, and noted that title to said property will be transferred to the Phoenix IDA's real estate holding corporation.

Director Ong Colyer moved to approve **Resolution 2017-15** as presented by the executive director and legal counsel of the Phoenix IDA. Director Tarver seconded the motion. **Motion carried unanimously.** A copy of **Resolution 2017-15** is attached hereto, and by this reference is made part hereof.

ITEM 3: **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 10:28 a.m.

Item 2



MEMORANDUM

DATE: December 14, 2017
TO: Members, Board of Directors
FROM: Juan Salgado, Chief Executive Officer
SUBJECT: Phoenix IDA Strategic Plan for 2018-2020

INTRODUCTION

In June 2017, the Phoenix IDA retained Flanagan-Hyde Associates through an RFP process to facilitate the development of a strategic plan for calendar years 2018, 2019 and 2020. The plan is intended to establish a framework for organizational direction as well as provide clearly defined goals and objectives.

BACKGROUND

The 90-day strategic planning process was conducted in three phases:

1. Environmental analysis which included individual staff interviews, Board Member survey and best practices research
2. Focus group sessions with Phoenix IDA team members to determine the priority areas for the three-year plan and the strategic approach to accomplish the goals in those areas
3. Preparation and presentation of the strategic plan to the Executive Director and Board of Directors.

The strategic plan targets three primary goals:

1. Entrepreneurship, innovation, and program development
2. Financial and organizational sustainability
3. Communications and branding expansion.

Strategies, objectives, and tactics have been identified within each primary goal along with their corresponding benchmarks and leadership responsibilities.

The strategic plan is intended to be a living document that will require periodic review and updates to ensure that our organization is continually progressing toward a common vision.

RECOMMENDATION

I recommend approval of the Phoenix IDA Strategic Plan for calendar years 2018, 2019 and 2020.

Strategic Plan 2018-2020

Paul Magallanez

Community & Economic Development Administrator

December 14, 2017

Mission

Supporting community and economic development through access to capital.

Vision

Framing Question:

What will it take to make the Phoenix IDA
the model for innovative and
comprehensive community investment by
2020?

Strategic Planning Process

Phase One: Environmental Scan

- Individual interviews with all staff
- Input from other IDAs
- Board survey

Strategic Planning Process

Phase Two: Team Focus Group Sessions

- Priorities that emerged
 - Entrepreneurship and Innovation
 - Financial & Organizational Sustainability
 - Branding and Communications

Strategic Planning Process

Phase Three: Strategic Plan Development

- Goals: Primary outcomes
 - Strategies: Approach to achieve goals
 - Objectives: Steps to achieve strategies
 - Tactics: Tasks to achieve objectives

Strategic Goal 1

By 2020, the Phoenix IDA will respond to community capital needs by expanding entrepreneurship, innovative programs, geographical reach, and the number of people served.

Strategic Goal 1: Key Strategies

- Develop a process for identifying community needs and partners
- Establish protocols for program evaluation and new program creation
- Promote the growth of core services and programs
- Develop new lines of business to improve community impact
- Invest comprehensively in communities we serve

Strategic Goal 2

By 2020, the Phoenix IDA will be fully sustainable for core services, programs, and staff.

Strategic Goal 2: Key Strategies

- Ensure financial sustainability
- Ensure organizational sustainability
- Ensure facilities sustainability

Strategic Goal 3

By 2020, the Phoenix IDA will be a well-known brand in Arizona.

Strategic Goal 3: Key Strategies

- Affirm statements of mission, vision and values
- Identify sectors for the brand: public, private and nonprofit
- Advance and promote the Phoenix IDA brand
- Implement a customer experience program

Strategic Plan

Next steps:

- Staff assigned to lead strategies
- Benchmark dates have been established for objectives and tactics
- Strategies, objectives and tactics will be incorporated into individual performance goals

Mission

Supporting community and economic development through access to capital.

Item 3



MEMORANDUM

DATE: December 14, 2017

TO: Members, Board of Directors

FROM: Juan Salgado, Chief Executive Officer

SUBJECT: Nonprofit Loan Participation Program

INTRODUCTION

The intent of the proposed Phoenix IDA Nonprofit Loan Participation Program (NLP) is to make a positive community impact by increasing the strength and financial capacity of local nonprofits by providing access to capital that may not otherwise be available through traditional lending means. The NLP will be comprised of two programs: the Loan Participation Program (LPP) and the Predevelopment Loan Program (PLP). The attached document provides the suggested operating guidelines for administering the program.

BACKGROUND

The LPP component intends to establish the guidelines and process that will be utilized to evaluate opportunities to participate with lead lenders in providing loans to 501(c)(3) nonprofit organizations located within Maricopa county for business purposes such as operating capital, real estate and facilities acquisition, construction, and renovation.

The purpose of the Phoenix IDA PLP is to provide interim capital to be utilized for predevelopment activities by Phoenix IDA for bond financing applicants for projects within the state of Arizona. PLP loans are intended to be short-term and repaid from proceeds obtained upon closing of the bond transaction or other permanent financing.

The NLP will be funded through the Phoenix IDA Community Impact Investment Fund. The overarching governance of the NLP, including any variances and/or exceptions to the standard program guidelines, will be stipulated by the Phoenix IDA Community Impact Investment Fund Policy or by action of the Board of Directors.

RECOMMENDATION

I recommend approval of the Phoenix IDA Nonprofit Loan Participation Program and the allocation of \$5,000,000 from the Community Impact Investment Fund to fund the program.

**COMMUNITY IMPACT INVESTMENT FUND
NONPROFIT LOAN PARTICIPATION PROGRAM**

The intent of the Phoenix IDA Nonprofit Loan Participation Program (NLP) is to make a positive community impact by increasing the strength and financial capacity of local nonprofits by providing access to capital that may not otherwise be available through traditional lending means. The NLP is comprised of two programs: the Loan Participation Program (LPP) and the Predevelopment Loan Program (PLP).

The NLP is capitalized from the Phoenix IDA Community Impact Investment Fund. The overarching governance of the Phoenix IDA NLP, including any variances and/or exceptions to the standard program guidelines, will be stipulated by the Phoenix IDA Community Impact Investment Fund Policy or by action of the Board of Directors.

LOAN PARTICIPATION PROGRAM (LPP)

PURPOSE

The purpose of the Phoenix IDA LPP is to participate with lead lenders to provide access to capital to nonprofit organizations that would potentially lead to lower cost of money for the borrower.

PROGRAM GUIDELINES

1. Borrowers must be a 501(c)(3) located or operating for at least three years within the boundaries of Maricopa County and must be engaged with a lead lender for the purpose of obtaining debt financing for a qualifying business purpose.
2. Qualifying business purposes will include operating capital, acquisition or refinancing of land and buildings, new construction, building renovation, landscape and property improvements, and furniture, fixtures, and equipment.
3. Funding priority will be given to organizations and/or programs that serve low- and moderate-income individuals and families and/or geographic areas that meet the demographic definition of a low- and moderate-income community.
4. The borrower will provide documentation necessary to evidence the organization's mission and contribution to community, economic and social impact, and/or other community benefits.
5. The Phoenix IDA will rely on the lead lender's loan guidelines, operational and financial risk assessment, credit analysis and loan documentation including application and participation agreement.
6. The program administrator shall collect at its determination from the lead lender its credit analysis, borrower financial statements, risk assessment justification, cash flow analysis, evidence of sufficient collateral and guarantees, and any other documents the program administrator deems necessary.

7. The lead lender will be responsible for all aspects of servicing the loan and may retain a servicing fee not to exceed 50 basis points of the interest charged to the borrower.
8. The Phoenix IDA LPP may purchase up to half of a qualifying loan within the range of \$10,000 to \$1 million.
9. Loan will be for a term not to exceed seven years
10. Interest rates will be set by the lead lender and dependent upon the lead lender's risk rating of the borrower.
11. The Chief Executive Officer may approve loan participations up to \$100,000. Loans exceeding \$100,000 will require approval of the Board of Directors.
12. The program will stand as a pari passu participant with respect to collateral.
13. Any lead generated by the Phoenix IDA will be subject to a non-compete provision by the receiving lender.

PREDEVELOPMENT LOAN PROGRAM (PLP)

PURPOSE

The purpose of the Phoenix IDA PLP is to provide interim capital to be utilized for pre-development activities by Phoenix IDA for bond financing applicants for projects within the state of Arizona.

PROGRAM GUIDELINES

1. Borrowers must be a qualified Arizona nonprofit actively seeking bond financing with the Phoenix IDA.
2. The PLP may make loans up to \$250,000 per project.
3. A complete application for bond financing with the Phoenix IDA must be received for a predevelopment loan application to be considered.
4. A completed loan application must be received by the Phoenix IDA at least 45 calendar days, but no more than 180 calendar days, prior to the anticipated bond closing date. The loan application must also be received at least 15 calendar days prior to the date of loan funding.
5. The borrower shall provide the following information with the loan application:
 - a. related bond application and bond application fee,
 - b. loan commitment fee,
 - c. proposed uses of funds,
 - d. Bond counsel approval letter,
 - e. proposed draw schedule,
 - f. Underwriter's highly confident letter, and

- g. access to all relevant information regarding the borrower's financial condition; if web-based access is not provided, all financial information must be provided digital format with application.
- 6. A non-refundable loan commitment fee of 80 basis points of the amount to be financed (\$2,000 maximum fee), is due at time of loan application.
- 7. The PLP provides interim loans to pay pre-development project costs eligible for bond financing, such as the costs of due diligence, architectural and consulting fees, zoning and permitting costs, insurance, bonding, and other qualified pre-development costs.
- 8. Predevelopment loan funds will be disbursed to the borrower either as reimbursement, on requisition, or in combination, as detailed in draw requests submitted to the escrow agent.
- 9. The loan repayment source is from bond proceeds upon closing of the bond transaction or other permanent financing.
- 10. The parties will prepare and sign a Loan Agreement, Promissory Note, and other lender-required documents.
- 11. Predevelopment loans will be for a term of up to six months (the time required to prepare for closing the bond transaction).
- 12. Interest-only payments of 6.5% are required on the loan. All principal and any accrued interest will be paid in full at closing of bond financing.
- 13. In the event bond financing for the project does not close, or other permanent financing is not obtained the loan term may be extended for a period not to exceed three years at an interest rate of 9.5%.
- 14. The borrower will have the option to prepay all or any portion of the debt at any time without penalty or premium.
- 15. The borrower shall pay all third-party expenses.

Item 4

MEMORANDUM

DATE: December 14, 2017

TO: Members, Board of Directors

FROM: Juan Salgado, Chief Executive Officer

SUBJECT: 2017 Multifamily Housing Tax Regulatory Agreements Annual Report

BACKGROUND

As of June 30, 2017, the Phoenix IDA's bond portfolio included 17 multifamily housing revenue bond projects ("Projects") that require ongoing compliance monitoring per specific compliance reporting and audit provisions set forth in Tax Regulatory Agreements ("Regulatory Agreements") that were executed as part of the Projects' bond closings. This report presents information about the compliance status of the 17 Projects that have active Regulatory Agreements as of June 30, 2017.

One additional multifamily housing revenue bond transaction was closed since June 30, 2017. Further, the Regulatory Agreement for the Project in Yuma, Arizona, was released in connection with the sale of the Project. The compliance status of any new projects that close in fiscal year 2018, ending June 30, 2018, will be presented in next year's annual report to the Phoenix IDA Board of Directors during the fall of 2018.

TYPICAL TAX REGULATORY AGREEMENT PROVISIONS

A typical Regulatory Agreement imposes specific reporting and audit requirements upon the multifamily housing revenue bond borrower ("Borrower"), such as requiring the Borrower to (i) submit regular tenant income certification reports to the bond trustee ("Trustee") and conduit issuer ("Issuer"), (ii) undergo an annual compliance review by an independent third-party, and (iii) provide annually a copy of IRS form 8703 to the Trustee and Issuer. Regulatory Agreements may also require the Trustee, the Issuer, or both (among others) to monitor a Borrower's compliance with the Regulatory Agreement's reporting and audit provisions. The reporting and audit requirements are designed to provide assurance that the Borrower is renting apartment units to the low-to-moderate-income population in accordance with specific rental unit set-aside and income-level requirements set forth in the Regulatory Agreement.

Customarily, the Borrower's duty to report and the Issuer's/Trustee's duty to monitor remain in effect during the "Qualified Project Period." Virtually all Regulatory Agreements define the Qualified Project Period as the later of (i) a date which is 15 years after the date the related bonds are issued, or the date on which 50 percent of the project's units were first occupied, *OR* (ii) the first day on which no tax-exempt private activity bond is outstanding, *OR* (iii) the date on which any federal Section 8 housing assistance terminates. Accordingly, if a project's bonds remain outstanding after 15 years, the Borrower must continue to report to the Trustee and Issuer until the bonds are redeemed. Likewise, if the bonds are redeemed before 15 years, the Borrower must continue to report to the Trustee and Issuer until the 15-year period ends.

COUNCIL DISTRICT DISTRIBUTION

As of June 30, 2017, 16 of the 17 Projects that have active Regulatory Agreements are located in Phoenix City Council Districts 1, 2, 3, 5, 6, 7 and 8 (one Project is located in Yuma, Arizona). The following table shows the distribution of the Projects by bond issuance year and Council District.

**Multifamily Housing Revenue Bond Projects with Active Regulatory Agreements
As of June 30, 2017
Distribution by Bond Issuance Year and Council District**

Issuance Year	Council District							
	1 (Williams)	2 (Waring)	3 (Stark)	4 (Pastor)	5 (Valenzuela)	6 (DiCiccio)	7 (Nowakowski)	8 (Gallego)
2003							1	2
2005			2		1	2		1
2007			1					
2011								1
2013		1						
2014						1		
2016	1			1				
2017					1			
2003-2017	1	1	3	1	2	3	1	4

FY 2017 COMPLIANCE STATUS

The Phoenix IDA engaged JAG Compliance and Consulting (“JAG”) to assist with the Phoenix IDA’s multifamily housing bond compliance monitoring duties during fiscal year 2017. JAG’s contractual duties consist primarily of reviewing compliance reports submitted, contacting Borrowers who are delinquent in their reporting obligations, and submitting its findings to the Phoenix IDA. According to JAG’s report for the June 30, 2017 quarterly reporting period, 15 of the 17 Borrowers that have active Regulatory Agreements are current with their compliance reporting requirements, and two Borrowers are delinquent. JAG and Phoenix IDA staff have been in contact with management at the noncompliant projects and the Borrower’s representatives are in the process of bringing their reporting current. Phoenix IDA staff and other bond transaction team members will continue to monitor all Projects and initiate appropriate actions to facilitate compliance by all Borrowers.

Item 5



MEMORANDUM

DATE: December 14, 2017

TO: Members, Board of Directors

FROM: Sal Rivera, Chairman, Board of Directors

SUBJECT: Chairman's Report

2017 Anti-Defamation League Torch of Liberty Award Dinner – On Thursday, November 9, 2017, the Anti-Defamation League held their annual Torch of Liberty Award Dinner at the JW Marriott Scottsdale Camelback Inn Resort & Spa. Board member, Mr. Lawrence Robinson, received the Herman Lewkowitz ADL Rising Leader Award at this year's award dinner. Other award recipients included, Mr. Paul Luna, Torch of Liberty Award, Mr. Steven Berger, "AI" Brooks Community Leadership Award, Mr. Daniel Johnson, George Weisz ADL Law Enforcement Award and GoDaddy, Stand Up for Courage Award.

Community Impact Fund Committee – On Wednesday, November 29, 2017 Councilman Michael Nowakowski, Mr. Lawrence Robinson and Phoenix IDA staff members participated in a check presentation with St. Joseph the Worker (SJW), a recipient from the Community Development Fund's third cycle. As the largest, 100% privately funded workforce development agency in Arizona, SJW's mission is to assist homeless, low-income, and other disadvantaged individuals in their efforts to become self-sufficient through quality employment

St. Joseph the Worker received an award of \$40,000 in support of their Employment Heals Communities program. This funding will provide Phoenix area job seekers with crucial work essentials such as professional job development services, transportation assistance (bus passes and gas vouchers), program supplies, safety equipment, tools, uniforms, boots, as well as certifications and licensing (tangible resources often required to meet the prerequisites of an employment offer – resources other agencies are not able to offer their clients).

Discrimination Policy – The Executive Committee of the Phoenix IDA Board of Directors, during its meeting on December 6, 2017, held additional discussions regarding the Phoenix IDA's non-discrimination policy. After careful consideration, the Committee directed the Executive Director & CEO to revise the policy during the next scheduled review cycle to expand its coverage and applicability.

Phoenix Community Development and Investment Corporation (PCDIC) – The Phoenix IDA Executive Director & CEO has continued discussions with the Chairman of the Board of PCDIC regarding options for improving PCDIC's operational processes, fiscal management, investment strategies, organizational structure, and policies and procedures. At its meeting on November 16, 2017, PCDIC's Board of Directors appointed Mr. Juan Salgado as the organization's interim Chief Executive Officer, and granted approval for the Phoenix IDA to perform a due diligence review of PCDIC through the end of March 2018.

The PCDIC Board also authorized reimbursing the Phoenix IDA for the costs of staffing PCDIC's comptroller position. The Confidentiality and Nondisclosure Agreement between the Phoenix IDA and PCDIC remains in effect. I will continue to provide updates on any further developments.

Tax Cuts and Jobs Act – During its meeting on November 16, 2017, the Phoenix IDA Board of Directors received an initial briefing on the proposed Tax Cuts and Jobs Act, which was introduced on November 2, 2017 in the U.S. House of Representatives as H.R. 1 (the “Bill”). Among other things, the Bill would eliminate private activity bonds (PABs), advance refundings and new market tax credits (NMTCs) effective as of December 31, 2017. The Senate version of tax reform preserves PABs but eliminates advance refundings. PABs are used for public facilities (such as airports) and for public purposes (such as low-income housing), and accordingly are a critical financing tool for the Phoenix IDA core focus areas of education, healthcare, affordable housing and community development. PABs also help finance low-cost student loans and residential mortgages. Terminating PABs will detrimentally impact multiple sectors of the Arizona economy because local nonprofits, educational institutions and other businesses rely on the cost-effective access to capital made available through PABs. The Executive Director & CEO and staff are working with a broad range of industry partners to contact key elected officials and request their opposition to any legislation that eliminates PABs, advance refundings and NMTCs.