

# Consent Items

## Item 1a

---

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

**September 14, 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, September 14, 2017 at 3:30 p.m., at Phoenix City Hall, 200 West Washington Street, 20<sup>th</sup> Floor, Conference Room 20 East, Phoenix, Arizona.

**Board Members present:**

Mr. David Lujan  
Mr. Bruce Mosby (*telephonic*)  
Ms. Nicole Ong Colyer (*telephonic, arrived 3:45 p.m*)  
Ms. Darcy Renfro (*arrived 3:44 p.m*)  
Mr. Sal Rivera  
Mr. Lawrence Robinson  
Ms. Barbara Ryan Thompson (*telephonic, arrived 3:36 p.m*)  
Ms. Christa Severns  
Ms. Charlene Tarver (*telephonic*)

**Board Members absent:**

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

Mr. James Barham, Phoenix IDA  
Mr. Murray Boess, Phoenix IDA  
Ms. Jennifer Demoney, Phoenix IDA  
Ms. Gina Flores, Phoenix IDA  
Ms. Lydia Lee, Phoenix IDA  
Mr. Paul Magallanez, Phoenix IDA  
Mr. C.W. Ross, Fennemore Craig, P.C.  
Mr. Juan Salgado, Phoenix IDA  
Ms. Cindy Stotler, City of Phoenix

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 3:35 p.m. A quorum was noted.

**ITEM 1:      Approval of Meeting Minutes**

Meeting minutes for the July 13, 2017, August 10, 2017 and August 23, 2017 Board of Director regular session were presented for approval. Director Severens moved to approve the minutes. Director Lujan seconded the motion. **Motion carried unanimously.**

**ITEM 2: August 17, 2017 Finance Committee Report**

Mr. Salgado introduced the August 17, 2017 Finance Committee Report, and asked Mr. Boess to brief the Board members.

The Board was briefed by Mr. Boess on the highlights of the Financial Statements for the period ending June 30, 2017 and revisions to the Operating Budget for fiscal year 2018, as reflected in the Phoenix IDA's records for this meeting, which are available upon request.

Mr. Boess also noted the adjustment to the operating budget pertaining to the Lend a Hand program.

Director Robinson moved to approve the August 17, 2017 Finance Committee Report. Director Severens seconded the motion. **Motion carried unanimously.**

**ITEM 3: Board Resolution – Phoenix IDA Officers**

Mr. Salgado introduced the item, and requested Mr. Ross brief the board on **Resolution 2017-10** as reflected in the Phoenix IDA's records for this meeting, which are available upon request.

Mr. Ross briefed the board regarding the resolution and recommended it be approved in order to establish and amend Phoenix IDA officer positions as described herein. Discussion ensued.

Director Lujan moved to approve **Resolution 2017-10** as recommended by the executive director and legal counsel to the Phoenix IDA. Director Severens seconded the motion. **Motion carried unanimously.**

A copy of **Resolution 2017-10** is attached hereto, and by this reference is made a part hereof.

**ITEM 4: Board Resolution – Real Estate Purchase**

Mr. Salgado introduced the item, and briefed the Board on the potential action by the Phoenix IDA to purchase real estate from Maricopa County, located at 1825 E. Roosevelt Street, Phoenix, Arizona, for the sum of \$488,000.

Mr. Salgado introduced Ms. Stotler, from the City of Phoenix Housing Department to brief the board on the project.

Mr. Salgado requested motion to move into Executive Session for Items 4 and 6. Motion was made by Director Severens and seconded by Director Robinson.

Executive session convened at 4:01 p.m.

**ITEM 5: Personnel Matters**

**ITEM 6:      Public Finance**

Regular session reconvened at 4:37 p.m.

Director Lujan moved to approve **Resolution 2017-11** as recommended by the executive director and legal counsel to the Phoenix IDA. Director Renfro seconded the motion. **Motion carried unanimously.**

A copy of **Resolution 2017-11** is attached hereto, and by this reference is made a part hereof.

**ITEM 7:      President's Report**

Mr. Salgado referred the Board members to the President's Report, which covered the upcoming press launch for codePHX, Board Officer Elections, Three-Year Strategic Plan, 207 E. McDowell Road building, and the Employee Handbook, 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 08:      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 4:45 p.m.

## Item 1b



## MEMORANDUM

**DATE:** October 12, 2017

**TO:** Members, Board of Directors

**FROM:** Juan Salgado, Executive Director

**SUBJECT:** Multifamily Housing Revenue Bonds (Edison-Eastlake Choice Neighborhoods Community Project), Series 2018 and/or 2019

---

### THE BORROWER

The City of Phoenix, Arizona (through its Housing Department) and Gorman & Company, Inc., on behalf of a to-be-formed, single-purpose limited liability company (collectively with its assignees and designees, the “Borrower”), are seeking the Board’s preliminary approval for the issuance of the Phoenix IDA’s subject Multifamily Housing Revenue Bonds (the “Bonds”), in an aggregate principal amount not to exceed \$48,000,000.

The proceeds of the Bonds, along with other anticipated financing sources (including 4% low income housing tax credits), will be used by the Borrower to acquire, construct, improve, and equip the project sites identified below (the “Project”).

It is anticipated that the Borrower will seek final approval of the Bonds from the Board in 2018. Pending such final approval, the Borrower intends to seek City Council approval shortly thereafter.

### THE PROJECT

The Borrower has represented that the Project will be comprised of the transformation of three existing public housing developments called (a) A.L. Krohn Homes (202 units), (b) Frank Luke Homes (230 units), and (c) Sidney P. Osborn Homes (145 units). This 5- to 10-year project includes demolishing and redeveloping the existing 577 units into approximately 1,155 units of high-quality, mixed-use, mixed-income housing that will serve low- to –moderate-income individuals and families.

The developments are located east of downtown Phoenix, between 16<sup>th</sup> Street and 20<sup>th</sup> Street, and between Roosevelt Street and Washington Street. These sites are near St. Luke’s Medical Center, which is north of Van Buren Street and west of 19<sup>th</sup> Street, and are within Phoenix City Council District 8, represented by Councilwoman Kate Gallego.

### PLAN OF FINANCING

The Borrower plans to use the Bond proceeds to (a) finance the acquisition, construction, improvement, and equipping of the Project, and (b) pay certain costs related to the issuance of the Bonds.

At this time, the Bonds are projected to be sold by an underwriting firm to institutional investors at prevailing market rates. The Borrower expects the first phase of the transaction to be completed by July 2019.

**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 preliminary approval resolution, as reviewed by same.

**RESOLUTION NO. 2017-13**

**A RESOLUTION GRANTING APPROVAL TO THE ISSUANCE OF MULTIFAMILY HOUSING REVENUE BONDS (EDISON-EASTLAKE CHOICE NEIGHBORHOODS COMMUNITY PROJECT), SERIES 2018 AND/OR 2019 OF THE INDUSTRIAL DEVELOPMENT AUTHORITY OF THE CITY OF PHOENIX, ARIZONA, TO BE ISSUED IN ONE OR MORE TAX-EXEMPT AND/OR TAXABLE SERIES IN AN AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED \$48,000,000 TO FINANCE A PORTION OF A RESIDENTIAL RENTAL PROJECT TO SERVE, IN PART, LOW- AND MODERATE-INCOME CITIZENS IN THE CITY OF PHOENIX, ARIZONA.**

**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 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 of Directors”) 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 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 [Authority]”; and

**WHEREAS**, the City of Phoenix, Arizona (through its Housing Department) and Gorman & Company, Inc., on behalf of a to-be-formed, single purpose limited liability company (collectively with its assignees and designees, the “Borrower”), has requested the Authority to issue its Multifamily Housing Revenue Bonds (Edison-Eastlake Choice Neighborhoods Community Project), Series 2018 and/or 2019 (the “Bonds”), in one or more tax-exempt and/or taxable series pursuant to a plan of finance in an aggregate principal amount not to exceed \$48,000,000, and use the proceeds thereof to make one or more loans to the Borrower to finance a portion of (i) the costs of acquiring, constructing, improving and equipping buildings and land to be used, in a number of phases, as a residential rental multifamily housing project anticipated to be comprised of, upon completion, approximately 1,155 total units and related facilities located at 500 North 20<sup>th</sup> Street, 1730 East Monroe Street, and 1721 East Adams Street, all in Phoenix, Arizona (collectively the “Facilities”), (ii) the funding of any required reserves, (iii) paying capitalized interest, if any, on the Bonds, and (iv) paying certain costs and expenses incurred in connection with the authorization, issuance and sale of the Bonds (collectively, the “Project”), all in accordance with the Act; and



**WHEREAS**, in furtherance of the purposes of the Act, the Authority is considering the issuance of the Bonds, the proceeds of which will be used to make a loan to the Borrower to assist the Borrower in financing the Project as described above;

**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 of the Authority finds and determines that the issuance of the Bonds under the Act and the making of one or more loans to the Borrower for the purpose of financing all or a portion of the cost of the acquisition, rehabilitation, improvement, equipping and operation of the Project, and the costs and expenses incidental thereto, are in furtherance of the purposes of the Authority under the Act and the Facilities will constitute a "project" within the meaning of the Act.

**Section 2.** The Authority hereby grants approval to the issuance and sale of the Bonds pursuant to a plan of finance and the Act in one or more series in an aggregate principal amount not to exceed \$48,000,000. This approval is subject to the following terms and conditions:

2.1 The Borrower must fully comply with all applicable provisions of the Authority's Procedural Pamphlet dated February 24, 2017 (the "Pamphlet") and the Authority's financial guidelines relating to the issuance and sale of the Bonds, including the submission of Legal Proceedings, as required by Section 5 of the Pamphlet, in form and substance satisfactory to the Authority.

2.2 On or prior to the date the Bonds are issued (the "Closing Date"), the Borrower shall make arrangements satisfactory to the Authority as to the payment of the Authority's closing fee and annual administrative fees and expenses.

2.3 On the Closing Date, an opinion of nationally recognized bond counsel, in a form acceptable to the Authority, that interest on any series of tax-exempt Bonds will be excludable from federal income taxes and Arizona income taxes under existing statutes, regulations and court decisions, must be addressed to and provided to the Authority.

2.4 On the Closing Date, the Borrower must deliver an opinion or opinions, addressed and in form acceptable to the Authority, prior to closing, to the effect that all of the statements and information contained in the offering materials distributed in connection with the offer and sale of the Bonds (if any) is correct and complete in all material respects, and does not contain any untrue statements of material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances under which they were made, not misleading.

2.5 In the event the Bonds will be sold pursuant to a public offering, the Borrower and the underwriter of the Bonds to be publicly offered (the "Underwriter") must submit a bond purchase agreement for the Bonds in final form, including, without limitation, any exhibits, appendices or attachments, except for information pertaining to

the maturities, interest rates, yields and redemption provisions on the Bonds, in form and substance acceptable to Kutak Rock LLP, as the Authority's legal advisor (the "Legal Advisor") and its bond counsel ("Bond Counsel").

2.6 If the Bonds have not received a rating of "BBB-" or better (or an equivalent rating) from a nationally recognized bond rating agency, on the Closing Date each purchaser of the Bonds shall execute and deliver an investor acknowledgement letter in form and substance satisfactory to the Authority and its Legal Advisor; provided, however, the provisions of this paragraph may be waived by the Authority in its sole discretion prior to the issuance of the Bonds.

2.7 If the Bonds are to be privately-placed, on the Closing Date the Bond placement agent or the ultimate purchaser of the Bonds must deliver an investment letter to the Authority, including representations that it has performed its own due diligence of the Project, and will purchase and hold the Bonds as a private placement. Any subsequent resale of the Bonds must be restricted to accredited investors or qualified institutional buyers.

2.8 On the Closing Date, Legal Advisor to the Authority must receive such legal opinions (including an enforceability opinion of Counsel to the Borrower), certificates and other proceedings as are necessary and advisable to evidence compliance by the Borrower and the Underwriter or any other purchaser of the Bonds with the Authority's policies and procedures and applicable federal and state laws.

2.9 The Authority, its officers, directors, staff, employees, agents and executive director, and the City of Phoenix, Arizona (the "City") must be provided with full indemnification in connection with the issuance and sale of the Bonds, in form and substance satisfactory to the Authority's Legal Advisor, from a credit-worthy source.

**Section 3.** The Borrower has indicated that it will incur and pay expenses relating to the Project prior to the issuance of the Bonds and expects to reimburse those expenditures with proceeds of the Bonds. This Resolution is an affirmative official action and declaration of official intent of the Authority relating to the issuance of the Bonds as contemplated herein including, without limitation, under Treasury Regulations Section 1.150-2.

**Section 4.** 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 Advisor and financial advisor, whether or not the Bonds are issued or sold.

**Section 5.** The Authority is hereby authorized to determine, in consultation with the Borrower, a date for a public hearing on the plan of financing of the Project and the proposed issuance of the Bonds, as required by Section 147(f) of the Internal Revenue Code of 1986, and

to publish a public notice of such hearing in such form as approved by the Borrower and Bond Counsel.

**Section 6.** The Borrower is authorized to file a request for allocation for private activity bonding authority for the Bonds through the Arizona Finance Authority (whether in the form of a carryforward allocation or otherwise) in an aggregate principal amount which shall not exceed \$48,000,000.

**Section 7.** All actions of the officers, directors, staff, 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, shall be and are hereby ratified, confirmed and approved. The proper officers, directors, staff, 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.

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

**Section 8.** 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 9.** 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 10.** 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 State and the Authority.

**Section 11.** Arizona Revised Statutes Section 38-511 requires that every contract to which the State, its political subdivisions or any of the departments or agencies of the State or its political subdivisions is a party include notice that such contract is subject to cancellation, within three years after its execution, by the State, political subdivision, department or agency which is a party to such contract if any person significantly involved in initiating, negotiating, securing, drafting or creating the contract on behalf of the State, political subdivision, department or agency is, at any time while the contract is in effect, an employee of any other party to the contract or an agent or consultant of any other party to the contract with respect to the subject matter of the contract.

**Section 12.** This Resolution is not to be construed as providing advice concerning municipal securities. This Resolution represents the Board of Director's determination that the execution and delivery of the documents and the delivery of the documents and the offer, sale, issuance and delivery of the Bonds by the Authority as contemplated by the documents and the effect thereof will each be in furtherance of the purposes and interests of the Authority under the Act. This Resolution is not intended to provide, and shall not be construed as providing, advice by any member of the Board of Directors to the Authority or to the Borrower with respect to the issuance of the Bonds for purposes of 15 U.S.C. Section 78o-4(e)(4)(A)(i).

**Section 13.** This Resolution is effective immediately.

Adopted and approved this 12<sup>th</sup> day of October, 2017.

THE INDUSTRIAL DEVELOPMENT AUTHORITY  
OF THE CITY OF PHOENIX, ARIZONA

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

Item 1c



## MEMORANDUM

**DATE:** October 12, 2017

**TO:** Members, Board of Directors

**FROM:** Juan Salgado, Executive Director

**SUBJECT:** Multifamily Housing Revenue Bonds (Foothills Village Apartments Project), Series 2018 and/or 2019

---

### THE BORROWER

The City of Phoenix, Arizona (through its Housing Department) and Gorman & Company, Inc. (or other related entity) intend to form Foothills Village Apartments, LLC, which will be a single-purpose, limited liability company (the “Borrower”), and are currently seeking the Board’s preliminary approval for the issuance of the Phoenix IDA’s subject Multifamily Housing Revenue Bonds (the “Bonds”), in an aggregate principal amount not to exceed \$15,000,000.

The proceeds of the Bonds, along with other anticipated financing sources (including 4% low income housing tax credits), will be used by the Borrower to acquire, rehabilitate, improve, and equip the project identified below (the “Project”).

It is anticipated that the Borrower will seek final approval of the Bonds from the Board in 2018. Pending such final approval, the Borrower intends to seek City Council approval shortly thereafter.

### THE PROJECT

The Borrower has represented that the Project will be comprised of the purchase and substantial rehabilitation of an existing 200-unit public housing development called Foothills Village. Upon completion, the Project will serve low- to moderate-income individuals and families. The Project is located at 920 West Alta Vista Road, which is south of Southern Avenue and west of 7<sup>th</sup> Avenue, within Phoenix City Council District 7, represented by Councilman Michael Nowakowski.

### PLAN OF FINANCING

The Borrower plans to use the Bond proceeds to (a) finance the acquisition, rehabilitation, improvement, and equipping of the Project, and (b) pay certain costs related to the issuance of the Bonds.

At this time, the Bonds are projected to be sold by an underwriting firm to institutional investors at prevailing market rates. The Borrower expects the transaction to close in September of 2018.

**RECOMMENDATION**

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



**RESOLUTION NO. 2017-14**

**A RESOLUTION GRANTING PRELIMINARY APPROVAL TO THE ISSUANCE OF MULTIFAMILY HOUSING REVENUE BONDS (FOOTHILLS VILLAGE APARTMENTS PROJECT), SERIES 2018 AND/OR 2019 OF THE INDUSTRIAL DEVELOPMENT AUTHORITY OF THE CITY OF PHOENIX, ARIZONA, TO BE ISSUED IN ONE OR MORE TAX-EXEMPT AND/OR TAXABLE SERIES IN AN AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED \$15,000,000 TO FINANCE A PROJECT FOR FOOTHILLS VILLAGE APARTMENTS, LLC.**

**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 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 of Directors”) 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 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 [Authority]”; and

**WHEREAS**, the City of Phoenix, Arizona (through its Housing Department) and Gorman & Company, Inc., on behalf of a to-be-formed single purpose limited liability company (currently anticipated to be Foothills Village Apartments, LLC), or other related entity (collectively with its assignees and designees, the “Borrower”) has requested the Authority to issue its Multifamily Housing Revenue Bonds (Foothills Village Apartments Project), Series 2018 and/or 2019 (the “Bonds”), in one or more tax-exempt and/or taxable series in an aggregate principal amount not to exceed \$15,000,000, and use the proceeds thereof to make a loan to the Borrower to finance a portion of (i) the costs of acquiring, rehabilitating, improving and equipping buildings and land to be used as an approximately 200-unit residential rental multifamily housing project and related facilities located at 920 West Alta Vista Road in Phoenix, Arizona (the “Facilities”), (ii) the funding of any required reserves, (iii) paying capitalized interest, if any, on the Bonds, and (iv) paying certain costs and expenses incurred in connection with the authorization, issuance and sale of the Bonds (collectively, the “Project”), all in accordance with the Act; and

**WHEREAS**, in furtherance of the purposes of the Act, the Authority is preliminarily considering the issuance of the Bonds, the proceeds of which will be used to make a loan to the Borrower to assist the Borrower in financing the Project as described above;

**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 of the Authority finds and determines that the issuance of the Bonds under the Act and the making of a loan to the Borrower for the purpose of financing all or a portion of the cost of the acquisition, rehabilitation, improvement, equipping and operation of the Project, and the costs and expenses incidental thereto, are in furtherance of the purposes of the Authority under the Act and the Facilities will constitute a "project" within the meaning of the Act.

**Section 2.** The Authority hereby grants preliminary approval to the issuance and sale of the Bonds pursuant to the Act in one or more series in an aggregate principal amount not to exceed \$15,000,000. This preliminary approval is subject to the following terms and conditions:

2.1 The Borrower must fully comply with all applicable provisions of the Authority's Procedural Pamphlet dated February 24, 2017 (the "Pamphlet") and the Authority's financial guidelines relating to the issuance and sale of the Bonds, including the submission of Legal Proceedings, as required by Section 5 of the Pamphlet, in form and substance satisfactory to the Authority.

2.2 On or prior to the date the Bonds are issued (the "Closing Date"), the Borrower shall make arrangements satisfactory to the Authority as to the payment of the Authority's closing fee and annual administrative fees and expenses.

2.3 On the Closing Date, an opinion of nationally recognized bond counsel, in a form acceptable to the Authority, that interest on any series of tax-exempt Bonds will be excludable from federal income taxes and Arizona income taxes under existing statutes, regulations and court decisions, must be addressed to and provided to the Authority.

2.4 On the Closing Date, the Borrower must deliver an opinion or opinions, addressed and in form acceptable to the Authority, prior to closing, to the effect that all of the statements and information contained in the offering materials distributed in connection with the offer and sale of the Bonds (if any) is correct and complete in all material respects, and does not contain any untrue statements of material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances under which they were made, not misleading.

2.5 Prior to consideration of final approval by the Authority and in the event the Bonds will be sold pursuant to a public offering, the Borrower and the underwriter of the Bonds to be publicly offered (the "Underwriter") must submit a bond purchase agreement for the Bonds in final form, including, without limitation, any exhibits, appendices or attachments, except for information pertaining to the maturities, interest rates, yields and redemption provisions on the Bonds, in form and substance acceptable to Kutak Rock LLP, as the Authority's legal advisor (the "Legal Advisor") and its bond counsel ("Bond Counsel").

2.6 If the Bonds have not received a rating of “BBB-” or better (or an equivalent rating) from a nationally recognized bond rating agency, on the Closing Date each purchaser of the Bonds shall execute and deliver an investor acknowledgement letter in form and substance satisfactory to the Authority and its Legal Advisor; provided, however, the provisions of this paragraph may be waived by the Authority in its sole discretion prior to the issuance of the Bonds.

2.7 If the Bonds are to be privately-placed, on the Closing Date the Bond placement agent or the ultimate purchaser of the Bonds must deliver an investment letter to the Authority, including representations that it has performed its own due diligence of the Project, and will purchase and hold the Bonds as a private placement. Any subsequent resale of the Bonds must be restricted to accredited investors or qualified institutional buyers.

2.8 On the Closing Date, Legal Advisor to the Authority must receive such legal opinions (including an enforceability opinion of Counsel to the Borrower), certificates and other proceedings as are necessary and advisable to evidence compliance by the Borrower and the Underwriter or any other purchaser of the Bonds with the Authority’s policies and procedures and applicable federal and state laws.

2.9 The Authority, its officers, directors, staff, employees, agents and executive director, and the City of Phoenix, Arizona (the “City”) must be provided with full indemnification in connection with the issuance and sale of the Bonds, in form and substance satisfactory to the Authority’s Legal Advisor, from a credit-worthy source.

2.10 The Borrower must receive final approval by the Council of the City of Phoenix, Arizona prior to the issuance of the Bonds.

2.11 Except to the extent the Project and the proposed financing thereof are deemed to be a Carryforward Project, preliminary approval of the Project by the Authority expires on the 180th day following the grant of preliminary approval by the Authority unless the Bonds have been issued or an extension of preliminary approval has been approved by the Authority on or before that date.

**Section 3.** The Borrower has indicated that it will incur and pay expenses relating to the Project prior to the issuance of the Bonds and expects to reimburse those expenditures with proceeds of the Bonds. This Resolution is an affirmative official action and declaration of official intent of the Authority relating to the issuance of the Bonds as contemplated herein including, without limitation, under Treasury Regulations Section 1.150-2.

**Section 4.** 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 Advisor and financial advisor, whether or not the Bonds are issued or sold.

**Section 5.** The Authority is hereby authorized to determine, in consultation with the Borrower, a date for a public hearing on the plan of financing of the Project and the proposed issuance of the Bonds, as required by Section 147(f) of the Internal Revenue Code of 1986, and to publish a public notice of such hearing in such form as approved by the Borrower and Bond Counsel.

**Section 6.** The Borrower is authorized to file a request for allocation for private activity bonding authority for the Bonds through the Arizona Finance Authority (whether in the form of a carryforward allocation or otherwise) in an aggregate principal amount which shall not exceed \$15,000,000.

**Section 7.** All actions of the officers, directors, staff, 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, shall be and are hereby ratified, confirmed and approved. The proper officers, directors, staff, 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.

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

**Section 8.** 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 9.** 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 10.** 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 State and the Authority.

**Section 11.** Arizona Revised Statutes Section 38-511 requires that every contract to which the State, its political subdivisions or any of the departments or agencies of the State or its political subdivisions is a party include notice that such contract is subject to cancellation, within three years after its execution, by the State, political subdivision, department or agency which is a party to such contract if any person significantly involved in initiating, negotiating, securing, drafting or creating the contract on behalf of the State, political subdivision, department or agency is, at any time while the contract is in effect, an employee of any other party to the

contract or an agent or consultant of any other party to the contract with respect to the subject matter of the contract.

**Section 12.** This Resolution is not to be construed as providing advice concerning municipal securities. This Resolution represents the Board of Director's determination that the execution and delivery of the documents and the delivery of the documents and the offer, sale, issuance and delivery of the Bonds by the Authority as contemplated by the documents and the effect thereof will each be in furtherance of the purposes and interests of the Authority under the Act. This Resolution is not intended to provide, and shall not be construed as providing, advice by any member of the Board of Directors to the Authority or to the Borrower with respect to the issuance of the Bonds for purposes of 15 U.S.C. Section 78o-4(e)(4)(A)(i).

**Section 13.** This Resolution is effective immediately.

Adopted and approved this 12<sup>th</sup> day of October 2017.

THE INDUSTRIAL DEVELOPMENT AUTHORITY  
OF THE CITY OF PHOENIX, ARIZONA

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

## Item 1d

**EXTENSION OF  
COOPERATIVE/INTERGOVERNMENTAL AGREEMENT  
BETWEEN  
THE INDUSTRIAL DEVELOPMENT AUTHORITY OF THE CITY OF PHOENIX, ARIZONA  
AND  
THE INDUSTRIAL DEVELOPMENT AUTHORITY OF THE COUNTY OF MARICOPA  
(HOME IN FIVE ADVANTAGE MORTGAGE ORIGINATION PROGRAM)**

THE INDUSTRIAL DEVELOPMENT AUTHORITY OF THE CITY OF PHOENIX, ARIZONA (the “Phoenix Authority”) and THE INDUSTRIAL DEVELOPMENT AUTHORITY OF THE COUNTY OF MARICOPA (the “Maricopa Authority”), (sometimes collectively referred to as the “Authorities”), each a nonprofit corporation recognized, existing under and designated as a political subdivision of the State of Arizona, pursuant to the Industrial Development Financing Act, Title 35, Chapter 5, of the Arizona Revised Statutes (the “Act”), agree as follows:

**RECITALS**

A. The Authorities sponsor a Home in Five Advantage Mortgage Origination Program (the “Program”) to provide down payment assistance in support of its public purpose to provide for affordable single family housing in the City of Phoenix, Arizona and Maricopa County, Arizona;

B. Pursuant to Sections 11-952 and 35-761 of the Arizona Revised Statutes, the Authorities entered into a Cooperative/Intergovernmental Agreement dated July 15, 2012 (the “Agreement”), specifying the terms and conditions under which the Phoenix Authority and the Maricopa Authority agreed to jointly cooperate and work together to sponsor the Program. Pursuant to Section 4.1 of the Agreement, the term of the Agreement expired on June 30, 2017, unless mutually terminated or extended by the Authorities; and

C. The Authorities have determined that it is desirable to extend the Agreement for five years.

**AGREEMENT**

NOW, THEREFORE, the Phoenix Authority and the Maricopa Authority agree:

1. Effective upon its execution by both parties, the Agreement is hereby amended and the Term of the Agreement is extended pursuant to the terms of the Agreement and shall remain effective until June 30, 2022, unless mutually terminated or extended by the Authorities, as evidenced in writing, and unless the Agreement is terminated earlier as set forth in the provisions of Section 4.2 of the Agreement.

2. Except as set forth above, all the terms and conditions of the Agreement shall remain in full force and effect.



3. Both Authorities acknowledge that this Agreement is subject to cancellation pursuant to the provisions of Arizona Revised Statutes, Section 38-511. The terms of A.R.S. § 38-511 are incorporated herein.

IN WITNESS WHEREOF, this Agreement has been executed effective as of June 30, 2017.

**THE INDUSTRIAL DEVELOPMENT  
AUTHORITY OF THE CITY OF PHOENIX,  
ARIZONA, an Arizona nonprofit corporation**

By: \_\_\_\_\_

Its: \_\_\_\_\_

APPROVED AS TO FORM IN ACCORDANCE  
WITH A.R.S. § 11-952.D.:

\_\_\_\_\_  
Kutak Rock LLP  
Counsel to The Industrial Development  
Authority of the City of Phoenix, Arizona

**THE INDUSTRIAL DEVELOPMENT  
AUTHORITY OF THE COUNTY OF  
MARICOPA, ARIZONA, an Arizona nonprofit  
corporation**

By: \_\_\_\_\_

Its: \_\_\_\_\_

APPROVED AS TO FORM IN ACCORDANCE  
WITH A.R.S. §11-952.D:

\_\_\_\_\_  
Ryley, Carlock & Applewhite  
Counsel to The Industrial Development  
Authority of the County of Maricopa