



PHOENIXIDA

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## Item 3

**AMENDED  
RESOLUTION NO. 2020-03**

**RESOLUTION OF THE BOARD OF DIRECTORS OF THE INDUSTRIAL DEVELOPMENT AUTHORITY OF THE CITY OF PHOENIX, ARIZONA GRANTING APPROVAL OF A LOAN/LINE OF CREDIT IN THE AMOUNT OF \$5,500,000 (THE “LOAN”) TO PRESTAMOS CDFI, LLC (“PRESTAMOS”) WHICH WOULD PROVIDE A SOURCE OF CAPITAL TO PRESTAMOS TO ALLOW IT TO ORIGINATE LOANS UNDER THE CORONAVIRUS AID, RELIEF, AND ECONOMIC SECURITY ACT (CARES ACT); AUTHORIZING THE EXECUTION AND DELIVERY OF A LOAN AGREEMENT AND OTHER DOCUMENTS REQUIRED IN CONNECTION WITH THE LOAN; RATIFYING CERTAIN ACTIONS HERETOFORE TAKEN IN CONNECTION WITH THE LOAN; AND AUTHORIZING OTHER ACTIONS NECESSARY IN CONNECTION WITH COMPLETING THE LOAN.**

**WHEREAS**, The Industrial Development Authority of the City of Phoenix, Arizona (the “Phoenix IDA”) is an Arizona nonprofit corporation formed by the City of Phoenix (the “City”) with the primary mission of aiding economic development, with the power to perform all lawful acts permitted by the statutes of the State of Arizona (the “State”) and its articles of incorporation, including without limitation the lending of monies on terms and conditions as its board of directors may deem advisable; and

**WHEREAS**, the Phoenix IDA has entered into negotiations with respect to a Loan Agreement (the “Loan Agreement”) with Prestamos CDFI, LLC, an Arizona limited liability company (“Prestamos”) in the amount of \$5,500,000 (the “Loan”) to provide a source of capital to Prestamos to originate loans under the “Paycheck Protection Program” (“PPP Loans”) of the Coronavirus Aid, Relief, and Economic Security Act (“CARES Act”) ; and

**WHEREAS**, the Loan Agreement will provide that Prestamos can only use the proceeds of the Loan to make PPP Loans in the maximum amount of \$150,000 to Maricopa County, AZ businesses in or immediately adjacent to low- to moderate-income census tracts affected by the COVID-19 virus, unless otherwise approved by the Chief Executive Officer of the Phoenix IDA; and

**WHEREAS**, the CARES Act provides incentives to businesses to use at least 75% of the proceeds of PPP Loans to pay workers’ wages and benefits; and

**WHEREAS**, Prestamos has provided, or will provide, to the Phoenix IDA the Loan Agreement and all other documents required in connection with the Loan (collectively, the “Loan Documents”).

**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 Approval of the Loan.** Upon satisfaction of all conditions referenced in Section 2 below, the Phoenix IDA hereby conditionally approves the Loan.

**Section 2. Conditions.** The Phoenix IDA's approval of the Loan is subject to the approval of the final version of the Loan Documents by the Chief Executive Officer of the Phoenix IDA, the satisfactory completion of all conditions to the making of the Loan, and the Phoenix IDA's receipt of the Loan Documents and any other instruments which the Chief Executive Officer and legal counsel to the Phoenix IDA (Rusing, Lopez & Lizardi, PLLC) reasonably deem to be necessary or appropriate under the circumstances.

**Section 3. Approval of Contract.** The Phoenix IDA hereby approves and consents to the Loan Documents containing the substantive terms and conditions presented to the board of directors, with such changes, additions or deletions as may be approved by the Chief Executive Officer of the Phoenix IDA.

**Section 4. Execution of Documents and Further Actions.** The Chief Executive Officer of the Phoenix IDA is authorized to enter into, execute and deliver the Loan Documents and any other agreement, amendment or other document or consent, upon advice of legal counsel to the Phoenix IDA, 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 Phoenix IDA and its directors, officers, counsel, advisors, agents or its Chief Executive Officer, including but not limited to the engagement of legal counsel, directed toward the completion of the Loan, are hereby approved and ratified.

**Section 6. Further Actions.** The Chief Executive Officer of the Phoenix IDA, 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 Loan Documents required to be delivered in connection with the Loan.

**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 Phoenix IDA 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. Liability.** The Chief Executive Officer of the Phoenix IDA, the members of the governing body of the Phoenix IDA and any director, officer, official, employee or agent of the Phoenix IDA shall not be subject to any personal liability or accountability by reason of the completion of the Loan. The liability of the Phoenix IDA with respect to any document executed

in connection with the transactions contemplated hereby, including the Loan Documents, shall be limited as provided in such documents.

**Section 10. 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 11. Effectiveness.** This Resolution shall take effect immediately.

PASSED, ADOPTED, AND APPROVED on this 29<sup>th</sup> day of May 2020.

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

By: \_\_\_\_\_  
Juan Salgado, Chief Executive Officer

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

By: \_\_\_\_\_  
Juan Salgado, Chief Executive Officer