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## MEMORANDUM

**DATE:** May 14, 2015

**TO:** Members, Board of Directors

**FROM:** Juan Salgado, Executive Director

**SUBJECT:** Single Family Mortgage Revenue Bond Redemptions

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### BACKGROUND

From May 2005 through May 2007, the Phoenix IDA and the Maricopa County IDA (collectively, the “Authorities”) jointly issued their Single Family Mortgage Revenue Bonds, Series 2006-1, Series 2006-2 & Series 2006-3, Series 2007-1, Series 2007-2 & Series 2007-4 (collectively, the “Phoenix Maricopa Bonds”), and as of July 1, 2007, the Phoenix IDA, the Maricopa County IDA and the Pima County IDA (collectively, the “Authorities”) jointly issued their Single Family Mortgage Revenue Bonds, Series 2007A-1 & Series 2007A-2 (together with the Phoenix Maricopa Bonds, the “Bonds”), pursuant to separate indentures for each series of Bonds in the total amount of \$349,995,000. The proceeds were used to provide below-market rate mortgages to qualifying low and moderate-income, first-time homebuyer families in Arizona. The Bonds are secured by, among other things, fully modified pass through mortgage backed certificates guaranteed by the Government National Mortgage Association, the Federal National Mortgage Association, or the Federal Home Loan Mortgage Corporation (collectively, the “Certificates”).

As of April 2015, the cost to fully redeem the Bonds is expected to be approximately \$4,746,038; however, this calculation will change based on the number of prepayments that occur. Pursuant to the terms of each indenture, the Authorities are authorized to sell the Certificates and use the proceeds from the sale thereof to redeem the outstanding Bonds. As a result of the current condition of the financial markets, the secondary market value of the Certificates is expected to be in excess of the amount needed to redeem the Bonds in full under their respective indentures at their earliest redemption date, pay transaction costs incurred in connection therewith and remit a balance of unrestricted funds, in their proportionate shares, to the Authorities. If the sale of such Certificates and redemption of Bonds is authorized, such sale and redemption will only be executed for those series for which the proceeds are sufficient to redeem the outstanding Bonds in full and remit a balance of at least \$1,000, in total, to the Authorities. Staff estimates the sale of the Certificates should be completed and the Authorities should receive proceeds by the end of December 2015.

### PROGRAM SUMMARY AND SOURCES AND USES

The program summary and proposed sources and uses of the funds are described in Exhibit A, attached hereto.

### RECOMMENDATION

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

It is further recommended that the approval be subject to the following terms and conditions:

1. All agreements, certificates, documents, or instruments requiring the execution or consent of the Phoenix IDA are in a form and substance acceptable to the Phoenix IDA's counsel.
2. The Phoenix IDA shall have received such opinions, certificates, and consent letters in connection with the Bonds as the Phoenix IDA's counsel may deem necessary or appropriate, in form and substance satisfactory to the Phoenix IDA's counsel.
3. Each bond issue, for which Certificates are sold and the bonds redeemed, shall produce a minimum residual of \$1,000, in total, to the Authorities.



**Industrial Development Authorities of the City of Phoenix  
& Counties of Maricopa and Pima, Arizona  
Single Family Mortgage Revenue Bonds  
Series 2006-1, 2006-2, and 2006-3**

Combined Sources and Uses of Funds

<b>Series</b>	<b><u>2006-1</u></b>	<b><u>2006-2</u></b>	<b><u>2006-3</u></b>	<b><u>Total</u></b>
<b>Sources</b>				
Estimated Sale of MBS Certificates (1)	\$404,920.34	\$1,024,550.63	\$801,933.63	<b>\$2,231,404.59</b>
Certificate Accrued Interest	\$1,557.39	\$3,828.43	\$2,915.51	<b>\$8,301.33</b>
May MBS Payments (Principal & Interest)	\$2,541.67	\$6,068.68	\$4,621.64	<b>\$13,231.99</b>
Fund Balances (As of May 4, 2015) (2)	\$61.85	\$178.24	\$67.88	<b>\$307.97</b>
Estimated Escrow Earnings (3)	\$850.52	\$4,603.64	\$5,772.41	<b>\$11,226.57</b>
<b>Total Sources</b>	<b>\$409,931.76</b>	<b>\$1,039,229.62</b>	<b>\$815,311.07</b>	<b>\$2,264,472.45</b>
<b>Uses</b>				
Bond Payoff Requirements	\$375,642.16	\$956,600.82	\$780,583.36	<b>\$2,112,826.35</b>
Transaction Fees (4)	\$20,000.00	\$20,000.00	\$20,000.00	<b>\$60,000.00</b>
Gross Surplus (5)	\$14,289.60	\$62,628.80	\$14,727.71	<b>\$91,646.10</b>
<b>Total Uses</b>	<b>\$409,931.76</b>	<b>\$1,039,229.62</b>	<b>\$815,311.07</b>	<b>\$2,264,472.45</b>
<b>Other Information</b>				
Total Certificates	\$358,019.75	\$905,080.06	\$715,373.44	<b>\$1,978,473.25</b>
Total Bonds Outstanding	\$345,736.00	\$867,534.00	\$701,254.00	<b>\$1,914,524.00</b>
Weighted Average MBS Rate	5.800%	5.640%	5.434%	
Optional Redemption Date	5/1/2016	9/1/2016	12/1/2016	
Call Premium	\$103.00	\$103.00	\$103.00	

(1) MBS Pricing based on indications as of 5/7/2015. Subject to change.

(2) Balances provided by Wells Fargo, as trustee, as of 5/4/2015.

(3) Based on Treasury rates as of 5/7/2015. Subject to change.

(4) See Table 1 below for detailed transaction fees.

(5) See Table 2 below for distribution of gross surplus among the IDAs.

**Table 1: Transaction Fees**

	<b><u>2006-1</u></b>	<b><u>2006-2</u></b>	<b><u>2006-3</u></b>	<b><u>Total</u></b>
George K. Baum & Company (Bidding Agent)	\$12,500.00	\$12,500.00	\$12,500.00	\$37,500.00
Kutak Rock (Bond Counsel)	\$4,000.00	\$4,000.00	\$4,000.00	\$12,000.00
Wells Fargo (Trustee)	\$2,000.00	\$2,000.00	\$2,000.00	\$6,000.00
Rebate	\$1,500.00	\$1,500.00	\$1,500.00	\$4,500.00
<b>Total</b>	<b>\$20,000.00</b>	<b>\$20,000.00</b>	<b>\$20,000.00</b>	<b>\$60,000.00</b>

**Table 2: Distribution of Gross Surplus**

	<b><u>2006-1</u></b>	<b><u>2006-2</u></b>	<b><u>2006-3</u></b>	<b><u>Total</u></b>
Phoenix IDA (33.33%)	\$4,763.20	\$20,876.27	\$4,909.24	\$30,548.70
Maricopa IDA (33.33%)	\$4,763.20	\$20,876.27	\$4,909.24	\$30,548.70
Pima IDA (33.33%)	\$4,763.20	\$20,876.27	\$4,909.24	\$30,548.70
<b>Total</b>	<b>\$14,289.60</b>	<b>\$62,628.80</b>	<b>\$14,727.71</b>	<b>\$91,646.10</b>

**Industrial Development Authorities of the City of Phoenix  
& Counties of Maricopa and Pima, Arizona  
Single Family Mortgage Revenue Bonds  
Series 2007-1, 2007-2, and 2007-4**

Combined Sources and Uses of Funds

Series	2007-1	2007-2	2007-4	Total
<b>Sources</b>				
Estimated Sale of MBS Certificates (1)	\$306,628.06	\$936,931.40	\$1,039,322.63	\$2,282,882.10
Certificate Accrued Interest	\$1,112.10	\$3,535.20	\$4,167.83	\$8,815.14
May MBS Payments (Principal & Interest)	\$1,770.84	\$5,606.57	\$6,418.08	\$13,795.49
Fund Balances (As of May 4, 2015) (2)	\$127.61	\$336.35	\$3,782.47	\$4,246.43
Estimated Escrow Earnings (3)	\$2,799.73	\$9,362.37	\$13,745.21	\$25,907.32
<b>Total Sources</b>	<b>\$312,438.35</b>	<b>\$955,771.90</b>	<b>\$1,067,436.22</b>	<b>\$2,335,646.47</b>
<b>Uses</b>				
Bond Payoff Requirements	\$273,478.05	\$855,401.93	\$953,425.00	\$2,082,304.98
Transaction Fees (4)	\$20,000.00	\$20,000.00	\$20,000.00	\$60,000.00
Gross Surplus (5)	\$18,960.30	\$80,369.97	\$94,011.22	\$193,341.49
<b>Total Uses</b>	<b>\$312,438.35</b>	<b>\$955,771.90</b>	<b>\$1,067,436.22</b>	<b>\$2,335,646.47</b>
<b>Other Information</b>				
Total Certificates	\$272,074.59	\$826,947.40	\$913,288.78	\$2,012,310.77
Total Bonds Outstanding	\$243,362.00	\$755,044.00	\$825,000.00	\$1,823,406.00
Weighted Average MBS Rate	5.450%	5.700%	6.085%	
Optional Redemption Date	3/1/2017	4/1/2017	7/1/2017	
Call Premium	\$102.75	\$102.75	\$103.00	

(1) MBS Pricing based on indications as of 5/7/2015. Subject to change.

(2) Balances provided by Wells Fargo, as trustee, as of 5/4/2015.

(3) Based on Treasury rates as of 5/7/2015. Subject to change.

(4) See Table 1 below for detailed transaction fees.

(5) See Table 2 below for distribution of gross surplus among the IDAs.

**Table 1: Transaction Fees**

	2007-1	2007-2	2007-4	Total
George K. Baum & Company (Bidding Agent)	\$12,500.00	\$12,500.00	\$12,500.00	\$37,500.00
Kutak Rock (Bond Counsel)	\$4,000.00	\$4,000.00	\$4,000.00	\$12,000.00
Wells Fargo (Trustee)	\$2,000.00	\$2,000.00	\$2,000.00	\$6,000.00
Rebate	\$1,500.00	\$1,500.00	\$1,500.00	\$4,500.00
<b>Total</b>	<b>\$20,000.00</b>	<b>\$20,000.00</b>	<b>\$20,000.00</b>	<b>\$60,000.00</b>

**Table 2: Distribution of Gross Surplus**

	2007-1	2007-2	2007-4	Total
Phoenix IDA (2007-1: 40.00%, 2007-2: 40.00%, 2007-4: 41.29%)	\$7,584.12	\$32,147.99	\$38,817.23	\$78,549.34
Maricopa IDA (2007-1: 40.00%, 2007-2: 40.00%, 2007-4: 41.29%)	\$7,584.12	\$32,147.99	\$38,817.23	\$78,549.34
Pima IDA (2007-1: 20.00%, 2007-2: 20.00%, 2007-4: 17.42%)	\$3,792.06	\$16,073.99	\$16,376.75	\$36,242.81
<b>Total</b>	<b>\$18,960.30</b>	<b>\$80,369.97</b>	<b>\$94,011.22</b>	<b>\$193,341.49</b>



**Industrial Development Authorities of the City of Phoenix  
& County of Maricopa, Arizona  
Single Family Mortgage Revenue Bonds  
Series 2007A-1 and 2007A-2**

**Combined Sources and Uses of Funds**

<b>Series</b>	<b><u>2007A-1</u></b>	<b><u>2007A-2</u></b>	<b><u>Total</u></b>
<b>Sources</b>			
Estimated Sale of MBS Certificates (1)	\$1,089,866.52	\$2,049,138.23	<b>\$3,139,004.75</b>
Certificate Accrued Interest	\$4,285.25	\$8,179.48	<b>\$12,464.73</b>
May MBS Payments (Principal & Interest)	\$6,616.70	\$11,985.33	<b>\$18,602.03</b>
Fund Balances (2)	\$2,673.45	\$2,987.56	<b>\$5,661.01</b>
Estimated Escrow Earnings (3)	\$17,535.54	\$40,132.40	<b>\$57,667.94</b>
<b>Total Sources</b>	<b>\$1,120,977.45</b>	<b>\$2,112,423.00</b>	<b>\$3,233,400.45</b>
<b>Uses</b>			
Bond Payoff Requirements	\$1,111,779.17	\$2,091,500.00	<b>\$3,203,279.17</b>
Transaction Fees (4)	\$22,000.00	\$22,000.00	<b>\$44,000.00</b>
Gross Surplus (5)	(\$12,801.71)	(\$1,077.00)	<b>(\$13,878.71)</b>
<b>Total Uses</b>	<b>\$1,120,977.45</b>	<b>\$2,112,423.00</b>	<b>\$3,233,400.45</b>
<b>Other Information</b>			
Total Certificates	\$960,234.82	\$1,805,408.13	<b>\$2,765,642.95</b>
Total Bonds Outstanding	\$955,000.00	\$1,780,000.00	<b>\$2,735,000.00</b>
Weighted Average MBS Rate	5.950%	6.041%	
Optional Redemption Date	9/1/2017	11/1/2017	
Call Premium	\$103.00	\$103.00	

(1) MBS Pricing based on indications as of 5/7/2015. Subject to change.

(2) Balances provided by Wells Fargo, as trustee, as of 5/4/2015.

(3) Based on Treasury rates as of 5/7/2015. Subject to change.

(4) Detailed transaction fees for each series below.

(5) The Phoenix and Maricopa IDAs would each receive 50% of any gross surplus.

**Transaction Fees**

	<b><u>2007A-1</u></b>	<b><u>2007A-2</u></b>	<b><u>Total</u></b>
George K. Baum & Company (Bidding Agent)	\$12,500.00	\$12,500.00	\$25,000.00
Kutak Rock (Bond Counsel)	\$6,000.00	\$6,000.00	\$12,000.00
Wells Fargo (Trustee)	\$2,000.00	\$2,000.00	\$4,000.00
Rebate	\$1,500.00	\$1,500.00	\$3,000.00
<b>Total</b>	<b>\$22,000.00</b>	<b>\$22,000.00</b>	<b>\$44,000.00</b>

**RESOLUTION NO. 2015-10**

**RESOLUTION OF THE BOARD OF DIRECTORS OF THE INDUSTRIAL DEVELOPMENT AUTHORITY OF THE CITY OF PHOENIX, ARIZONA AUTHORIZING (I) THE SALE OF ALL OR A PORTION OF THE GNMA/FANNIE MAE/FREDDIE MAC CERTIFICATES SECURING THE SINGLE FAMILY MORTGAGE REVENUE BONDS, SERIES 2006-1, SERIES 2006-2, SERIES 2006-3, SERIES 2007-1, SERIES 2007-2, SERIES 2007-4, SERIES 2007A-1, AND SERIES 2007A-2, OF THE PHOENIX AUTHORITY ISSUED JOINTLY WITH THE INDUSTRIAL DEVELOPMENT AUTHORITY OF THE COUNTY OF MARICOPA AND/OR THE INDUSTRIAL DEVELOPMENT AUTHORITY OF THE COUNTY OF PIMA; (II) THE USE OF THE PROCEEDS FROM THE SALE THEREOF TO PURCHASE A CORRESPONDING PORTION OF OUTSTANDING BONDS; (III) THE ENGAGEMENT OF FINANCING PARTICIPANTS IN CONNECTION THEREWITH; (IV) THE PAYMENT OF TRANSACTION COSTS RELATED THERETO; AND (V) THE DELEGATION TO THE EXECUTIVE DIRECTOR OF THE POWER TO TAKE ALL SUCH ACTIONS AS ARE NECESSARY OR APPROPRIATE TO ACCOMPLISH THE FOREGOING.**

**WHEREAS**, The Industrial Development Authority of the City of Phoenix, Arizona (the “Phoenix Authority”) is a nonprofit corporation designated as a political subdivision of the State of Arizona (the “State”) incorporated with the approval of the City of Phoenix, Arizona (the “City”), pursuant to the provisions of the Constitution of the State and under Title 35, Chapter 5 of the Arizona Revised Statutes, as amended (Section 35-701 through 35-761, inclusive) the (“Act”); and

**WHEREAS**, the Phoenix Authority is authorized and empowered, among other things, (a) to issue revenue bonds and use the proceeds thereof in accordance with the Act, (b) to contract with and employ others to provide for and to pay compensation for professional services and other services as the Phoenix Authority shall deem necessary for the financing of “projects” as defined in the Act, and (c) to pledge its property and revenues to secure the payment of the principal of and premium, if any, and interest on its revenue bonds; and

**WHEREAS**, the Phoenix Authority, The Industrial Development Authority of the County of Maricopa (the “Maricopa Authority”), and The Industrial Development Authority of the County of Pima (the “Pima Authority” and together with the Phoenix Authority and the Maricopa Authority, the “Authorities”) have established programs to take advantage of opportunities designed to alleviate the shortage of single family housing and mortgage credit for housing within the means of persons and families of low and moderate income; and

**WHEREAS**, the Authorities have entered into a Cooperative/Intergovernmental Agreement for the Phoenix and Maricopa County, Arizona Single Family Mortgage Revenue Bond Program of 2006, No. 118828, dated as of May 1, 2006 (the “Series 2006 Cooperative Agreement”) and a Cooperative/Intergovernmental Agreement for the Phoenix and Maricopa County, Arizona Single Family Mortgage Revenue Bond Program of 2007, No. 120719, dated as

of March 1, 2007 (the “Series 2007 Cooperative Agreement”), and the Phoenix Authority and the Maricopa Authority have entered into a Cooperative/Intergovernmental Agreement for the Phoenix and Maricopa County, Arizona Single Family Mortgage Revenue Bond Program of 2007-A, No. C-18-08-011-A-00, dated as of August 29, 2007 (the “Series 2007A Cooperative Agreement” and together with the Series 2006 Cooperative Agreement and the Series 2007 Cooperative Agreement, the “Cooperative Agreements”), each providing for their cooperation in issuing bonds to finance a joint program for the purpose of financing directly or indirectly the acquisition, construction, improvement or equipping of projects that are owner-occupied single-family dwelling units to be occupied by persons of low and moderate income; and

**WHEREAS**, the Authorities have issued multiple series of single family revenue bonds including but not limited to their (i) Single Family Mortgage Revenue Bonds, Series 2006-1 (the “Series 2006-1 Bonds”), pursuant to a Trust Indenture, dated as of May 1, 2006, by and between the Authorities and the Trustee as amended by a First Supplement to Trust Indenture dated as of August 1, 2011; (ii) Single Family Mortgage Revenue Bonds, Series 2006-2 (the “Series 2006-2 Bonds”), pursuant to a Trust Indenture, dated as of September 1, 2006, by and between the Authorities and the Trustee, as amended by a First Supplement to Trust Indenture dated as of August 1, 2011; (iii) Single Family Mortgage Revenue Bonds, Series 2006-3 (the “Series 2006-3 Bonds” and together with the Series 2006-1 Bonds and the Series 2006-2 Bonds, the “Series 2006 Bonds”), pursuant to a Trust Indenture, dated as of December 1, 2006, by and between the Authorities and the Trustee, as amended by a First Supplement to Trust Indenture dated as of August 1, 2011; (iv) Single Family Mortgage Revenue Bonds, Series 2007-1 (the “Series 2007-1 Bonds”), pursuant to a Trust Indenture, dated as of March 1, 2007, by and between the Authorities and Wells Fargo Bank, National Association, a national banking association, as trustee (the “Trustee”), as amended by a First Supplement to Trust Indenture dated as of August 1, 2011; (v) Single Family Mortgage Revenue Bonds, Series 2007-2 (the “Series 2007-2 Bonds”), pursuant to a Trust Indenture, dated as of May 1, 2007, by and between the Authorities and the Trustee, as amended by that certain Supplement to Trust Indenture, dated as of September 1, 2008, as amended by a First Supplement to Trust Indenture dated as of August 1, 2011, by and between the Authorities and Wells Fargo Bank Arizona, N.A., a national banking association, as trustee; and (vi) Single Family Mortgage Revenue Bonds, Series 2007-4 (the “Series 2007-4 Bonds” and together with the Series 2007-1 Bonds, the Series 2007-2 Bonds and the Series 2007-3 Bonds, the “Series 2007 Bonds”), pursuant to a Trust Indenture, dated as of July 1, 2007, by and between the Authorities and the Trustee, as amended by a First Supplement to Trust Indenture dated as of August 1, 2011; and

**WHEREAS**, the Phoenix Authority and the Maricopa Authority have issued multiple series of single family revenue bonds including but not limited to their (i) Single Family Mortgage Revenue Bonds, Series 2007A-1 (the “Series 2007A-1 Bonds”), pursuant to a Trust Indenture, dated as of September 1, 2007, by and among the Phoenix Authority, the Maricopa Authority and the Trustee, as amended by a First Supplement to Trust Indenture dated as of August 1, 2011; and (ii) Single Family Mortgage Revenue Bonds, Series 2007A-2 (the “Series 2007A-2 Bonds” and together with the Series 2007A-1 Bonds, the “Series 2007A Bonds”), pursuant to a Trust Indenture, dated as of November 1, 2007, by and among the Phoenix Authority, the Maricopa Authority and the Trustee, as amended by a First Supplement to Trust Indenture dated as of August 1, 2011; and

**WHEREAS**, the various Trust Indentures and supplements thereto referenced above are collectively referred to herein as the “Indentures”; and

**WHEREAS**, the Series 2006 Bonds, the Series 2007 Bonds and the Series 2007A Bonds (collectively, the “Bonds”) are secured by, among other things, fully modified pass-through mortgage-backed certificates guaranteed by the Government National Mortgage Association (the “GNMA Certificates”), the Federal National Mortgage Association (the “Fannie Mae Certificates”) and/or the Federal Home Loan Mortgage Corporation (the “Freddie Mac Certificates” and together with the GNMA Certificates and the Fannie Mae Certificates, the “Certificates”); and

**WHEREAS**, as a result of the current condition of the financial markets, the secondary market value of the Certificates is well in excess of the amount needed to purchase an equal par amount of outstanding Bonds; and

**WHEREAS**, in order to maximize the economic benefits arising from the current trading prices of the Certificates, the Authorities may sell all or a portion of their respective Certificates and use any such proceeds from the sale thereof, together with other available monies, to purchase a corresponding portion of their respective outstanding Bonds (the “Bond Purchase Program”); and

**WHEREAS**, the Bond Purchase Program may be carried out as to any of the Bonds in any such manner or manners as the Authorities may direct, including but not limited to a bond tender program or such other program as the Authorities may direct, any one or more of which may be carried out as to any or all of the Bonds; and

**WHEREAS**, after due consideration, the Board of Directors of the Phoenix Authority desires to approve (a) the sale of all or a portion of the Certificates, (b) the use of the proceeds from the sale thereof to purchase a corresponding portion of outstanding Bonds on or about May 19, 2015, pursuant to the Indentures, (c) the engagement of financing participants in connection therewith, (d) the use of a portion of the excess proceeds from the sale of such Certificates to pay transaction costs arising from the transaction, with the remainder of such proceeds to be paid to the Authorities pursuant to the Cooperative Agreements, and (e) the delegation to any officer of the power to take all such actions as are necessary or appropriate to accomplish the foregoing;

**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.** Subject to and conditioned upon the satisfaction of the conditions listed in Section 4 hereof, this Board of Directors hereby approves (a) the sale of all or a portion of the Certificates, (b) the use of the proceeds from the sale thereof to purchase a corresponding portion of outstanding Bonds on or about May 19, 2015, pursuant to the Indentures, (c) the engagement of financing participants in connection therewith, and (d) the use of a portion of the excess proceeds from the sale of such Certificates to pay transaction costs arising from the transaction, with the remainder of such proceeds to be paid to the Authorities pursuant to the Cooperative Agreements.



**Section 2.** The Executive Director of the Phoenix Authority (the “Executive Director”) is hereby authorized to do all such acts and things necessary to accomplish the actions detailed in Section 1 hereof.

**Section 3.** George K. Baum & Company is hereby appointed as tender agent in connection with the Bond Purchase Program; and Kutak Rock LLP is hereby appointed as bond counsel in connection with the transaction.

**Section 4.** The approvals and authorizations granted in this resolution are subject to the condition that the Phoenix Authority receive such legal opinions, certifications, and other documents and proceedings as are necessary or advisable, in the sole opinion of the Phoenix Authority’s legal counsel, to evidence compliance by participants in the transactions contemplated by this Resolution with the Phoenix Authority’s policies and procedures and applicable state and federal laws.

**Section 5.** Neither the Executive Director, the members of the governing body of the Phoenix Authority nor any director, officer, official employee or agent of the Phoenix Authority is subject to any personal liability or accountability by reason of the transaction described herein.

**Section 6.** In the event of the inability or unavailability of any official of the Phoenix Authority to perform any duty assigned to such official by the terms of this Resolution, any officer or employee of the Phoenix Authority authorized to act for such official is hereby authorized and directed to so.

**Section 7.** All acts and doings of the officers of the Phoenix Authority which are in conformity with the purposes and intent of this Resolution are in all respects approved, ratified and confirmed.

**Section 8.** The provisions of this Resolution are hereby declared to be separable, and if any action, phrase or provision is for any reason declared to be invalid, such declaration does not affect the validity of the remainder of the sections, phrases and provisions.

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

[Signature page follows.]

Adopted and approved this 14<sup>th</sup> day of May, 2015.

THE INDUSTRIAL DEVELOPMENT AUTHORITY  
OF THE CITY OF PHOENIX, ARIZONA

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