



PHOENIXIDA

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Item 1



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

**July 21, 2022**

A public meeting of the Board of Directors of The Industrial Development Authority of the City of Phoenix, Arizona (the “Phoenix IDA”) was convened on Thursday, July 21, 2022, at 3:00 p.m., via Zoom Videoconferencing.

**Board Members present:**

Ms. Breeann Adleman  
Mr. David Lujan  
Mr. Aaron Marquez  
Mr. Bruce Mosby  
Ms. Darcy Renfro  
Ms. Tina Marie Tentori (*joined at 3:06 p.m.*)  
Ms. Barbara Ryan Thompson

**Board Members absent:**

Ms. Tess Burleson  
Mr. Phil Gordon

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

Mr. James Barham, Phoenix IDA  
Mr. Jeff Barton, City of Phoenix  
Mr. Steve Betts, Holualoa Companies  
Mr. Bill DeHaan, Greenberg Traurig, LLP  
Mayor Kate Gallego, City of Phoenix  
Mr. Ryan Gray, Phoenix IDA  
Ms. Sharon Harper, The Plaza Companies  
Mr. Dan Klocke, Gorman & Company  
Ms. Lydia Lee, Phoenix IDA  
Ms. Chris Mackay, City of Phoenix

Mr. Tony Motola, City of Phoenix  
Mr. Clark Princell, City of Phoenix  
Mr. C.W. Ross, Fennemore Craig, P.C  
Mr. Juan Salgado, Phoenix IDA  
Mr. Mike Santellanes, Phoenix IDA  
Ms. Christa Severns, Phoenix IDA  
Mr. Stanton Shafer, Holualoa Companies  
Ms. Ginger Spencer, 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 videoconferencing system.

Director Mosby called the Board meeting to order at 3:02 p.m. A quorum was noted.

**ITEM 1:      Approval of Meeting Minutes.**

Director Mosby introduced Item 1 seeking approval for the regular session meeting minutes for the June 16, 2022, Board of Directors meetings. There being no comments or changes, Director Mosby called for a motion.

**MOTION:** Director Renfro moved to approve the regular session minutes for June 16, 2022, Board of Directors meeting. Director Lujan seconded the motion. **Motion passed 6-0 with Board members B. Adleman, D. Lujan, A. Marquez, B. Mosby, D. Renfro, and B. Ryan Thompson in favor.**

**ITEM 2:      City of Phoenix Priorities.**

Director Mosby introduced Item 2 – City of Phoenix Priorities and indicated Mayor Gallego and the City Manager, Jeff Barton would share information on projects and priorities of the City of Phoenix. Director Mosby then introduced Mayor Gallego and her staff, City Manager Jeff Barton, Deputy City Manager Ginger Spencer, and the Mayor’s Chief of Staff Clark Princell. Mayor Gallego began by stating that the goal of the conversation is to discuss the potential and direction the city of Phoenix would like the Phoenix IDA to follow. The mayor indicated she is excited about projects that are having real impact throughout the city and stated the best projects are those that are within the city of Phoenix. These projects help maximize the benefits to our residents and give us the opportunity to do due diligence. Another top priority for the city, is sustainability. The mayor indicated she wants to make sure that the Phoenix IDA is looking at projects that are sustainable. The city is also prioritizing the need for high wage year-round high-quality jobs, affordable housing, and middle market housing. Mayor Gallego concluded her comments with celebrating the work that the Phoenix IDA has done in partnership with the city, especially helping small businesses in Phoenix. Mayor Gallego also indicated her office could bring more awareness of how the Phoenix IDA works and what services are available.

The mayor introduced the City Manager Jeff Barton and asked him to reiterate the city’s priorities. Mr. Barton thanked the Phoenix IDA for their hard work and due diligence. The City of Phoenix is setting a high priority on projects that help the city become sustainable, projects that focus on housing affordability, and projects that give additional resiliency to economic downturns. Mr. Barton stated that he understands the need to diversify the Phoenix IDA’s portfolio and go out-side of the city but would rather see the Phoenix IDA place heavier emphasis on projects that are based in Phoenix.

Deputy City Manager Ginger Spencer stated it has been a pleasure working with the Phoenix IDA and is glad the mayor had an opportunity to communicate the priorities of the city. Director Mosby asked if any board members had questions or comments. Mr. Salgado thanked the mayor and her team for their continued support of the Phoenix IDA projects. Director Lujan thanked the mayor and her team for the feedback. He stated it is good to identify projects in Phoenix that meet the goals that the city would like met. The challenge the board has faced is when there are projects from outside of Arizona and when is a good time to take these projects and when is a good time to forego the project. The Board has also considered the capacity of what these outside projects can do to fund local projects. Director Lujan said that the Phoenix IDA wants to prioritize Phoenix projects but also recognizing that outside projects can help

raise funds that will benefit Phoenix organizations. Director Mosby indicated that they would be interested putting into place a mechanism where we can have regular conversations with the mayor and her staff, so we are able to keep them updated on the projects we are working on. Mr. Salgado concluded the discussion, thanking Mayor Gallego and her team for participation in today's meeting.

Mr. Salgado sought approval from Director Mosby and the board to move Item 3 to the end of the agenda and proceed to Item 4.

**ITEM 4: Multifamily Housing Revenue Bonds (Pueblo Apartments Project)**

Mr. Salgado introduced Item 4 and asked Mr. Santellanes to brief the board on the Multifamily Housing Revenue Bonds transaction. The Pueblo Apartments Project is the development of a multifamily affordable housing. On April 21, 2022, the project was presented to the board seeking preliminary approval for an amount not to exceed the \$20,000,000. Since the approval of this project in April there has been an increase in construction and development costs. Staff is seeking that the preliminary approval be amended to reflect the changes in cost and be increased to an amount not to exceed \$30,000,000. Mr. Santellanes introduced Mr. DeHaan who is issuer counsel for this project to give comments. Mr. DeHaan gave his recommendation to the board for approval of this item. The presentation is reflected in the Phoenix IDA's records for this meeting, which are available upon request.

Mr. Salgado asked if board members had any questions or comments for the staff. There being no questions, Director Mosby asked for a motion on Item 4.

**MOTION:** Director Ryan Thompson moved to approve Resolution 2022-09 as recommended by the Chief Executive Officer and legal counsel to the Phoenix IDA. Director Lujan seconded the motion. **Motion passed 7-0 with Board members B. Adleman, D. Lujan, A. Marquez, B. Mosby, Darcy Renfro, T. Tentori and B. Ryan Thompson in favor.**

**ITEM 5: Multifamily Housing Revenue Bonds (Horizon on Villa Project)**

Mr. Salgado introduced Item 5 and asked Mr. Santellanes to brief the board on the Multifamily Housing Revenue Bonds (Horizon on Villa Project). The presentation is reflected in the Phoenix IDA's records for this meeting, which are available upon request.

Mr. Salgado introduced Mr. Klocke from Gorman & Company to give an overview of the project. Mr. Klocke introduced himself as the senior development project coordinator for the Arizona market for Gorman & Company. Mr. Klocke explained his company has been in partnership with the City of Phoenix Housing Department for multiple years and with the Choice Neighborhoods Initiative. This Initiative is a large planning and implementation project to not only rehabilitate public housing east of downtown Phoenix but also to be a community improvement project. Mr. Salgado thanked Mr. Klocke for his comments and introduced Mr. DeHaan as issuer counsel to make any additional comments. Mr. DeHaan stated to the board that he has reviewed the financing application and the project is eligible for financing and the resolution is in appropriate form for approval if the board so desires. Mr. Salgado thanked Mr. DeHaan and concluded the staff, borrower, and counsel report.

Director Mosby asked if there were any questions or comments from the board members. There being no questions, Director Mosby called for a motion on Item 5.

**MOTION:** Director Renfro moved to approve Resolution 2022-11 as recommended by the Chief Executive Officer and legal counsel to the Phoenix IDA. Director Tentori seconded the motion. **Motion passed 7-0 with Board members B. Adleman, D. Lujan, A. Marquez, B. Mosby, Darcy Renfro, T. Tentori and B. Ryan Thompson in favor.**

**ITEM 6: Phoenix IDA Governance Policy.**

Mr. Salgado introduced Item 6 and requested Mr. Boess to recap the revisions in the Phoenix IDA Governance policy. Mr. Boess explained to the board the revision is to increase the credit card limit from \$5,000 to \$10,000 to help with operations. The presentation is reflected in the Phoenix IDA's records for this meeting, which are available upon request. Mr. Boess concluded his presentation.

Director Mosby asked if there were any questions from the board members. There being no questions, Director Mosby called for a motion on Item 6.

**MOTION:** A motion was made by Director Ryan Thompson and seconded by Director Adleman to approve the amendments to Governance Policy 201 as recommended by the Chief Executive Officer. **passed 7-0 with Board members B. Adleman, D. Lujan, A. Marquez, B. Mosby, D. Renfro, T. Tentori and B. Ryan Thompson in favor.**

**ITEM 3: Park Central-Loan.**

Mr. Salgado introduced the item and Ms. Harper from The Plaza Companies to give an overview of the project. Ms. Harper explained to the board the need for hotels in this area. In the Park Central location there are innovative and highly renowned health care, education, and health care research companies. The area also has St. Joseph's Hospital, Barrow Neurological Institute and Creighton University, that are all in need of a hotel located near their organizations. Mr. Salgado introduced Mr. Shafer from Holualoa Companies to make a comment on the project. Mr. Shafer reported that in the past year and a half, their company and the Phoenix IDA have been working on a tax-exempt financing package which was necessary at the time. The market has changed considerably and are now putting together a more traditional financing package. The presentation is reflected in the Phoenix IDA's records for this meeting, which is available upon request.

Mr. Salgado introduced Ms. Mackey from the City of Phoenix to give comments on the project. Ms. Mackey discussed her journey with this project and the success they have already had with redeveloping the mall and the surrounding area. Discussion was held on why the development companies are so invested in this project and the desire to build up midtown. Director Renfro stated she is very excited this project is creating a workforce program that will help give jobs to students and help build a work force. Director Mosby asked if there were any questions from board members. There being none, Mr. Salgado requested a motion to go into Executive Session.

**MOTION:** A motion was made by Director Ryan Thompson and seconded by Director Renfro to move into executive session. **Motion passed 7-0 with Board members B. Adleman, D. Lujan, A. Marquez, B. Mosby, Darcy Renfro, T. Tentori and B. Ryan Thompson in favor.**

Executive session convened at 3:52 p.m.

Discussion ensued regarding the Park Central-Loan project.

Regular session reconvened at 4:12 p.m.

Mr. Salgado asked if the board had any questions or comments for the staff. There were no questions from Board members. Director Mosby called for a motion on Item 3.

**MOTION:** Director Ryan Thompson moved to approve Resolution 2022-10 as recommended by the Chief Executive Officer and legal counsel to the Phoenix IDA. Director Lujan seconded the motion. **Motion passed 7-0 with Board members B. Adleman, D. Lujan, A. Marquez, B. Mosby, D. Renfro, T. Tentori, and B. Ryan Thompson in favor.**

**ITEM 7:      Call to the Public.**

Director Mosby 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 4:14 p.m.