



INDUSTRIAL DEVELOPMENT AUTHORITY OF THE CITY OF TUCSON



THE INDUSTRIAL DEVELOPMENT AUTHORITY OF THE CITY OF TUCSON, ARIZONA – LOAN COMMITTEE MEETING

Thursday, July 28th, 2022
3:00 PM

Virtual meeting held via Zoom
<https://us06web.zoom.us/j/86769936560>

Minutes

	Present	Absent
Board Members:	Judy Clinco Melissa “Mimi” Noshay-Petro Patricia Schwabe (arrived at 3:17pm)	Sandra Barton
Staff & Advisors:	Andrea (“Dre”) Thompson, CEO Wendy McBroom, Operations Coordinator Gabriel Gomez, BDFC Advisor Services, LLC	

The Loan Committee of The Industrial Development Authority of the City of Tucson, Arizona (the “**Authority**”) was held virtually on **Thursday, July 28, 2022** via Zoom.

Pursuant to **Arizona Revised Statutes Section 38-431.02**, notice of the meeting was given to members of the Authority’s Board of Directors, the Authority’s Committee Members and the general public.

ITEM	ACTION TAKEN / TO BE TAKEN
1. Call to Order	The meeting was called to order at 3:09pm .
2. Discuss and request action for increasing the Tucson IDA’s loan contribution related to BDFC’s loan to Borderlands Taproom Concepts, LLC for its business operations at 2500 E 6th Street, Tucson, Arizona. G. Gomez summarized the loan request: Borderlands is partnering with Chef Maria of Boca Tacos who is well recognized in Tucson and Nationwide to open a second location. Focusing on food sales in addition to liquor is a change from their current location and they predict sales will be focused more on food, serving as an attraction for this new location.	A MOTION was made and seconded (M. Petro / P. Schwabe) to approve the \$150,000 participation and bring the request to the Board, provided BDFC approves their increased participation, and given that Chef Maria (and if she’s

<ul style="list-style-type: none"> - Borderlands is requesting an additional \$100,000 due to higher than expected construction costs. \$50,000 from BDFC and \$50,000 from the Tucson IDA. - The collateral is protected by the brewery equipment which is located at the original location. However, it was brought up that Borderlands had an outstanding \$250,000 SBA loan using the same piece of collateral as the Tucson IDA. G. Gomez said he will confirm whether this debt is still outstanding or if borderlands owns the equipment free and clear. - Borderlands is opening a third location with different investors, which was not disclosed to BDFC or Tucson IDA until July 25th, after they requested additional funding. - After discussion, the following point arose that Chef Maria has ownership in this project, and so it is thought that she should be a signer on the loan and have responsibility participating as a guarantor if she isn't already. - M. Petro is in favor of increasing the amount to \$50,000 but would like to know more about the status of each Borderlands location, currently they are both under LLC status. And she would like Chef Maria to Guarantee the loan if she has ownership in the business. If she doesn't have ownership in the business, there is concern that she can leave and is not associated with any risk. - After discussion, it was decided that G. Gomez will find out more from Borderlands and Chef Maria about her ownership terms and whether she is a guarantor on the loan before the board makes a final decision. 	<p>married, her spouse) sign personal guarantees and that they provide satisfactory answers surrounding her ownership collaboration agreement. Motion carried 2-0.</p>
<p>3. Adjourn</p>	<p>A MOTION was made and seconded (M. Petro / P. Schwabe) to adjourn the meeting at 4:01 PM. Motion carried.</p>

Submitted by:
Wendy McBroom
Operations Coordinator, Tucson IDA