



LEGAL ACTION REPORT UNAPPROVED MINUTES

REGULAR BOARD MEETING OF THE BOARD OF DIRECTORS OF THE INDUSTRIAL DEVELOPMENT AUTHORITY OF THE CITY OF TUCSON, ARIZONA (“Authority”)

Thursday, February 15th, 2024

3:00 p.m.

The public is invited to join the Authority’s Board meeting online via Zoom:

<https://us06web.zoom.us/j/84840348558>

Open Meeting: Pursuant to **Arizona Revised Statutes Section 38-431.02**, notice is hereby given to the general public and to the members of the Authority’s Board of Directors that the Authority will hold a virtual meeting open to the public via Zoom to discuss, consider and take legal action on the Agenda items below:

Executive Session – Upon a public majority vote of members constituting a quorum, the Board of Directors may hold an Executive Session. To comply with A.R.S. §38-431.03(B), all non-essential electronic devices, including cell and smartphones, iPads, notebooks, tablets and laptops shall be turned off and stored during Executive Session.

February 15th, 2024

1	Call to Order and Mission Statement: Tucson IDA enables strategic, economic, and community development by providing financing and access to capital for projects and programs that benefit a thriving Tucson.	Judy Clinco	This Regular Board Meeting was called to order at 3:01 PM.
2	<p>Approval of Minutes: Approve the Minutes of the Property Development Committee Meeting held on January 31st, 2024 & the Legal Action Report/Minutes of the Regular Board Meeting held on January 18th, 2024.</p> <p>–</p> <p>A MOTION was made and seconded (M Petro / S Barton) to Approve the Minutes of the Property Development Committee Meeting.</p> <p>Approved: 4 Abstained: 0 Against: 0</p> <p>A MOTION was made and seconded (S Barton/ M Petro) to Approve the Legal Action Report/Minutes of the Regular Board Meeting.</p> <p>Approved: 4 Abstained: 0 Against: 0</p>	Judy Clinco	2 minutes
3	Executive Session Upon a majority vote of members constituting a quorum, the Board may hold an Executive Session. During this Executive Session, the following	Chris Ambrosio	30 minutes

	<p>matters will be discussed:</p> <ol style="list-style-type: none"> 1. Pursuant to A.R.S. §38-431.03(A)(3) and (4) the Board will discuss with, consult with, obtain legal advice from and may instruct its attorney regarding the status of and issues related to Impact Residential's Bond Financing for the Lariat Village (4% LIHTC). 2. Pursuant to A.R.S. §38-431.03(A)(3), (4), and (7), the Board will discuss with, consult with, and obtain legal advice from and may instruct its attorney regarding the status of and issues related to AVANZA Empowerment Center + 450 N. Main RFQ. <p>—</p> <p>A MOTION was made and seconded (J Clinco / M Aronson) to enter the Executive Session.</p> <p>Approved: 4 Abstained: 0 Against: 0</p>		
<p>4</p>	<p>Impact Residential's Lariat Village (4% LIHTC Development): Dre Thompson will present Impact Residential's new 4% LIHTC Development to the Board. The Board will discuss and may take action to provide an inducement resolution for bond financing for such project.</p> <p>This development aims to address Arizona's affordable housing crisis. The board reviewed the comprehensive proposal, highlighting the project's strategic use of both 9% and 4% tax credits to foster community revitalization and economic sustainability. The presentation detailed the development's financing, competitive positioning for tax credits, and its potential community impact through quality housing and support for local businesses. Emphasizing the project's innovative design and planning, the board considered a preliminary approval resolution for the issuance of \$35,000,000 of multifamily housing revenue bonds, reflecting on the proposal's thoroughness in addressing affordable housing needs and community development.</p> <p>A MOTION was made and seconded (M Aronson / M Petro) to grant preliminary approval of the issuance of multifamily housing revenue bonds in the principal amount not to exceed \$35,000,000 to finance the project, and directed staff and counsel to prepare an executives to execute an inducement resolution outlining such approval.</p> <p>Approved: 4 Abstained: 0 Against: 0</p>	<p>Dre Thompson</p>	<p>20 minutes</p>
<p>5</p>	<p>AVANZA Empowerment Center + 450 N. Main RFQ. The Board's Property Development Committee may make recommendations to the Board regarding Statements of Qualification (SOQ) received in response to the Board's RFQ. Developers Hugh Martinez and Kristopher Ortega may present to the Board regarding their SOQ. Based on such recommendation and presentation, the Board may discuss and may vote to take action, which action may include: (1) directing staff and council to prepare, and authorizing the executive officers to execute, an exclusive negotiating agreement; and (2) directing staff and council to prepare and negotiate a development agreement.</p>	<p>Dre Thompson</p>	<p>30 Minutes</p>

	<p>Following recommendations from a property development committee Dre Thompson introduced key team members from GHK Properties and their associated architects, who are potential leads for a significant affordable housing project. The team presented a choice between a 9% tax credit and the usual 4% to boost equity, discussing project options that prioritize accessibility, compliance, and serving low-income families with rental units. They proposed multiple development scenarios, ranging from 80 to 101 units, designed to align with the IDA's vision and leverage financial resources like LIHTC for community benefit.</p> <p>–</p> <p>A MOTION was made and seconded (S Barton / M Aronson) (1) directing staff and council to prepare, and authorizing the executive officers to execute, an exclusive negotiating agreement with GHK; and (2) directing staff and council to prepare and negotiate what will eventually become a final development agreement for development of the properties.</p> <p>Approved: 4 Abstained: 0 Against: 0</p>		
6	<p>CEO Organizational Update & Status Report: The CEO will provide an overview of the organization's key metrics of success.</p> <p>In the CEO Organizational Update & Status Report, Dre Thompson provided a detailed overview of the organization's strategic initiatives and achievements, highlighting the proposal to develop a State of Arizona Urban DPA Revolving Fund aimed at addressing cash flow challenges and fostering collaboration among IDAs. This proposal, emphasizing fairness and inclusion, is set to be presented to a consortium of IDAs with updates expected in the upcoming board meetings. Dre also reviewed the success of the PTHS program and the board's approval for a significant increase in originations, alongside initiatives like Semillas, SBA microfunding, and efforts to support diverse, minority-owned businesses through grant writing and startup support. The discussion underscored the organization's commitment to financial education, the AVANZA program, and the creation of a locally driven investment fund to encourage local small business investments. Additionally, upcoming projects such as the AVANZA digital HUUB and initiatives focused on solar energy and equitable water finance were mentioned, showcasing the organization's dedication to sustainable development and economic inclusivity.</p>		10 minutes
7	Call to the Public	Judy Clinco	–
8	Adjourn	Judy Clinco	Adjourned at 4:30 PM.

Attendance

	Present	Absent
Board Members	Judy Clinco, President	Patricia Schwabe
	Meredith Aronson	Moniqua Lane



	Sandra Barton	
	Mimi Noshay-Petro	
Staff/Advisors	Dre Thompson, CEO Nicole "Nic" Dahl, VP Sara Lippitt, Controller Angelique Aubrahm, Operations Coordinator	
	Chris Ambrosio, Legal Counsel	
	Mike Czechowski, City of Tucson	
	Scott Riffle, Stifel	
Public/Guests		
	Kristopher Ortega, GHK Properties Hugh Martinez, GHK Properties Corky Poster, Architect for GHK Properties Savannah McDonald, Architect for GHK Properties	

Announcements: Announcement of future meeting dates and other information concerning the Authority.

Call to the Public: Please limit comments to **3 minutes**. Public comments will be at the discretion of the President. Persons wishing to address the Authority's Board of Directors are to request permission in advance and complete a "Request to Address the Board" card.

Further Information: For further information, please contact Angelique Aubrahm, Tucson IDA angelique@tucsonida.org | 520-222-7304.

Mailing: This Notice and Agenda of the Regular Meeting was emailed to the Authority's standard Agenda mailing list.

Posting: A copy of this Notice and Agenda of the Regular Meeting has been posted on the bulletin board of the Clerk of the City of Tucson, 1st Floor, 255 West Alameda, Tucson, Arizona 85701

ADA Statement of Accommodations: Persons with a disability may request a reasonable accommodation by contacting Angelique Aubrahm at angelique@tucsonida.org. Requests should be made in sufficient time to allow for accommodating arrangements.