



Meeting Minutes and Legal Action Report of Regular Board Meeting

Industrial Development Authority for the City of Tucson

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 public meeting to discuss the following Agenda Items.

Meeting Details

Date: May 15, 2025

In-person: 600 S Meyer, Tucson Arizona 85701

Time: 3:00pm - 5:00pm

Agenda Overview

1. Call to Order & Mission Statement
2. Approval of Meeting Minutes
3. Property Committee Update and Consider for Approval **052025-01**
4. Arizona Is Home and Consider for Approval **052025-02**
5. FY2026 Draft Budget Review and Consider for Approval **052025-03**
6. Organizational Updates
7. *Executive Session*
8. * Consider for Approval **052025-04** Contract Approval*
9. Call to Public
10. Adjourn

Attendees

BOD Present

Meredith Aronson
Mimi Petro
Moniqua Lane
Tim Kinney
Chris Squires
Hector Jimenez

BOD Absent

Patricia Schwabe

Staff Attendees

Dre Thompson
Lila Heras
Nicole Johnson

General Council

Chris Ambrosio

Members of the Public/Guests

Scott Riffle
Franky Villegas
Barbra Coffee

We are pleased to welcome Héctor Jiménez to the board. Héctor is a seasoned real estate developer with a passion for urban development and neighborhood revitalization.

Agenda

1 min

1st Item: Call to Order & 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.

Called to Order: 3:03 p.m.

3 min

2nd Item: Approval of Minutes

The Board reviewed the Legal Action Report/Draft Minutes of the Regular Board Meeting held on April 17th, 2025. A typo was found and the Board directed staff to adjust.

Motion: Moniqua Lande made a motion to approve the Minutes of the Regular Board Meeting of April 17, 2025 as amended.

Second: Tim Kinney

Action: Approved

Approved:5

Abstained: 0

Against:0

20 min

3rd Item: Property Committee Update and Consider for Approval 052025-01

The Board reviewed the progress and the timeline on Property Development Committee projects, including 450 N Main, and Two 35 North Stone.

The Property Development Committee presented Two35 N Stone, a 210 unit mixed-use 4% affordable housing project in the heart of downtown Tucson, designed to address critical housing shortages. This project is led by KG Development whose goal is to integrate affordable living with sustainability and amenities. The Board discussed entering into an exclusive negotiating agreement with KG Development that includes specific contingency timelines that could be extended, provided the developer was pursuing due diligence, applying for low income housing tax credits, and was awarded such tax credits.

Mimi Petro joined the meeting at 3:19 p.m.

Motion: Mimi Petro moved to authorize the Property Development Committee, staff and counsel to develop and execute Exclusive Negotiation Agreement with KG Development.

Second: Meredith Aronson

Action: Approved

Approved: 6

Abstained: 0

Against:0

20 min

4th Item: Arizona is Home and Consider for Approval 052025-02

Arizona Department of Housing has awarded the Tucson IDA and Pima IDA a grant that will enable the IDAs to expand their existing Pima Tucson Homebuyer Program, which provides down payment and interest rate assistance to homebuyers in Pima County. The total grant award is \$750,000 with \$675,000 allocated for DPA and \$75,000 designated for administrative and Program expenses.

The Board discussed how to structure a collaborative program with the Pima IDA and the Arizona Department of Housing, including how much down payment assistance would be offered, how the

program would be marketed against the IDA's other borrower assistance programs, and potential return from the project.

Motion: Hector Jimenez moved to authorize Staff and Counsel to develop and execute final three party Grant Agreement in collaboration with Pima IDA and Arizona Department of Housing

Action: Approved

Approved: 6

Abstained: 0

Against: 0

Second: Mimi Petro

20 min

5th Item: FY2026 Draft Budget Review and Consider for Approval 052025-03

The CEO presented the FY2026 Draft Budget for review and consideration. The IDA Budget includes \$2,092,193 in Revenue and \$2,082,974 in expenses. The Board discussed the budget and upcoming program revenue and expenses. Treasurer, Chris Squires, requested additional time to review the budget before recommending the Board approve the FY2026 Draft Budget.

No legal action was taken.

20 min

6th Item: Organizational Update

An organizational overview was presented including operations, programs, and financial standing.

The Project Budget variance, the cash on hand, and the Investment Balance was presented.

Lila Heras has joined as Executive & Financial Assistant, and Marco Hidalgo will serve as Executive Vice President. We are currently in the process of hiring a Director of Finance with 45 applicants under consideration.

National Investor Network Event is scheduled for May 19-21, 2025. A kick off event is scheduled at Tucson IDA facilities on May 19th and a presentation of programs on May 20, 2025.

An analysis of the Bond pipeline estimates the potential for \$130 million of bond issuances over the next two years.

A discussion was held on annual policy updates, including the completion of conflict of interest forms by all board members, and plans to review additional policies next month.

10 min

7th Item: Executive Session

Description: Pursuant to Arizona Revised Statutes §38-431.03(A), the Board may vote to recess and meet in executive session for the purpose of discussion or consultation for legal advice with the Board's legal counsel and to provide direction to the Board's legal counsel in connection with any matter on the Agenda. The Board may consider a motion to go into executive session in accordance with ARS 38-431.03(A) 3 & 4 to confer with legal counsel regarding contract negotiations and possible action related to ARPA program expense reimbursement due from the City of Tucson. Action, if any, taken by the Board regarding this matter will be taken in open meeting session after the adjournment of the executive session.

Motion: Tim Kinney motioned to move into Executive Session at 4:34 p.m.

Action: **Approved**
Approved: 6
Abstained: 0
Against: 0

Second: Mimi Preto

Motion: Tim Kinney moved to re-enter regular session at 4:51 p.m.

Action: **Approved**
Approved: 6
Abstained: 0
Against: 0

Second: Mimi Preto

1 min

8th Item: Consider for Approval 052025-04 -Amendment to City ARPA Subaward Contract

The Board discussed an amendment to the IDA's ARPA Subaward Agreement with the City of Tucson that would provide for the City to immediately make partial payment of unreimbursed program expenses.

Motion: Meredith Aronson moved to authorize the CEO to execute the Amendment to the ARPA Subaward Contract prepared by the City Attorney.

Action: **Approved**
Approved: 6
Abstained: 0
Against: 0

Second: Mimi Petro

1 min

9th Item: Call to Public

None

1 min

10th Item: Adjourn

Motion: Mimi Petro moved to Adjourn at 4:57 p.m.

Action: **Approved**
Approved: 6
Abstained: 0
Against: 0

Second: Moniqua Lane

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 Tucson IDA admin@tucsonida.org. **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 the IDA at admin@tucsonida.org. Requests should be made in sufficient time to allow for accommodating arrangements.