



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: June 19, 2025
Time: 3:00pm - 5:00pm

In-person: 600 S Meyer, Tucson, AZ.

Agenda Overview

1. Call to Order & Mission Statement
2. Approval of Meeting Minutes
3. Arizona Capital Source Charge off Request for Review and Consider for Approval **062025-01**
4. FY2026 Draft Budget Review and Consider for Approval **062025-02**
5. FY2026 Draft Policy Review and Consider for Approval **062025-03**
 - Financial Policies **062025-03-01**
 - Annual Calendar **062025-03-02**
 - Employee Handbook **062025-03-03**
6. Review and Consider for Approval **Arizona is Home** Grant Program **062025-04**
7. Organizational Updates
 - Financial Overview
 - Board Survey Results
 - Executive Committee
 - Groundswell Capital Update
8. Executive Session
9. Review and Consider for Approval Action related to 450 N Main **062025-05**
10. Call to Public
11. Adjourn

Attendees

**BOD Present**

Meredith Aronson
Mimi Petro
Moniqua Lane
Tim Kinney
Chris Squires
Patricia Schwabe

BOD Absent

Hector Jimenez

Staff Attendees

Dre Thompson
Lila Heras
Nicole Johnson

General Council

Chris Ambrosio

**Members of the
Public/Guests**

Marco Hidalgo
Stacey Spink-Cohe
Rob Tull
Gabriel Gomez

Marco Hidalgo was formally introduced as the new Executive Vice President of the Tucson IDA.

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: 3:01 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 May 15, 2025.

Motion: Mimi Petro made a motion to approve the Minutes of the Regular Board Meeting of May 15, 2025 as presented.

Second: Tim Kinney

Action: Approved

Approved: 6
Abstained: 0
Against: 0

20 min

**3rd Item: Arizona Capital Source Charge off Request for Review and Consider for Approval
062025-01**

Arizona Capital Source, the new name for BDFC, a Tucson IDA and Small Business Administration lender focused on 7a and 504 loans, is requesting Board Approval for a Charge Off Request for a loan provided to Avenue Boutique. The balance of the loan is ~\$19,000, the portion of Tucson IDA is ~\$15,000. A notice of default was recorded with the Pima County indicating a Trustee Sale. Due to the low balance of the loan the continuation of the foreclosure on the borrower's home is excessive. Following the discussion, the Board has entrusted Chris Squires and Dre Thompson with the task of analyzing the available options and presenting a comprehensive overview, to ensure greater clarity and support an informed decision-making process

No further action was taken by the Board at this time.

20 min

4th Item: FY2026 Draft Budget Review and Consider for Approval **062025-02**

The CEO presented the FY 2026 Draft Budget for review and consideration. The IDA Budget outlines \$2,019,440 in projected revenue and \$1,319,942 in expenses. The Board reviewed the budget and program revenue sources, noting that 35% of revenue is derived from local grants, 25% from Groundswell Capital, and 17% from parking lot operations. Regarding expenses, \$675,000 is initially recorded as an expense but represents deferred revenue that is later recognized. Additionally, 69% of total expenses are related to staffing. After discussion, the recommendation is that the Board approve the FY2026 Draft budget as presented.

Motion: Tim Kinney moved to approve the FY2026 Draft Budget as presented.

Action: Approved

Approved: 6
Abstained: 0
Against: 0

Second: Mimi Petro

20 min

5th Item: FY2026 Draft Policy Review and Consider for Approval **062025-03**

The Board reviewed and discussed the Financial Policies, Tucson IDA Annual Board Meeting Calendar and the Employee Handbook as part of the annual update of organizational policies and may consider for approval.

062025-03-01

Motion: Tim Kinney moved to approve the Financial Policies as presented.

Action: Approved

Approved: 6
Abstain: 0
Against: 0

Second: Moniqua Lane

062025-03-02

Motion: Moniqua Lane moved to approve the Tucson IDA Board meeting Calendar for FY26

Action: Approved

Approved: 6
Abstain: 0
Against: 0

Second: Mimi Petro

062025-03-03

Motion: Tim Kinney moved to approve the Employee Handbook as presented.

Action: Approved

Approved: 6
Abstain: 0
Against: 0

Second: Mimi Petro

20 min

6th Item: Review and Consider for Approval Arizona is Home Grant Program **062025-04**

The Arizona is Home program is a \$750,000 grant awarded by the Arizona Department of Housing to support downpayment assistance in collaboration with PIMA IDA. Of the total funding \$675,000 will be allocated directly to homebuyers, with each receiving up to \$9,000 in assistance, supporting approximately 75 home purchases. The remaining \$75,000 will cover operational costs, which will be submitted for monthly reimbursement.

Based on such discussion the Board is directing Staff and Legal counsel to finalize the documents, based on the program plan and update the Intergovernmental Agreement with PIMA IDA and Grant Agreement with ADOH.

Motion: Moniqua Lane moved to approve Staff and Counsel to negotiate and finalize the documents with Pima IDA and the Arizona Department of Housing

Action: Approved

Approved: 6

Abstain: 0

Against: 0

Second: Mimi Petro

10 min

7th Item: Organizational Updates

The CEO provided a comprehensive organizational update, including a review of the financial position, highlights from the Board survey results, an overview of Executive Committee activities, and recent developments from Groundswell Capital.

Financial Overview: Income for May totaled \$49,591, compared to the budgeted amount of \$58,363. Tucson IDA currently has \$603,672 in cash on hand, representing 7.15 months of operating reserves. The bond pipeline remains active, with the Impact Residential Bond scheduled to close next week.

Transform Tucson Update: The Transform Tucson Initiative is the cornerstone initiative between the Tucson IDA and the City of Tucson, which includes five pillar areas. Highlights of progress includes:

- **Small Business Support** including deploying \$750,000 in small business grants, \$2.4 million in loans and generating \$12 million in new revenue. This activity resulted in the creation of over 100 jobs and a total economic impact of \$13 million.
- **Affordable Housing:** Through the \$150 million Lighthouse Program, more than 600 families have been served. Multi-family housing progress includes supporting over 500 new units from induced bond projects and 400 additional units in the pipeline, and two affordable housing developments on IDA-owned properties. Over \$255 million has been facilitated for affordable housing through closed or induced bond funding.

Board Survey Results: Responses reflect a high level of satisfaction with Board engagement, strong confidence in understanding key programs and financials, and appreciation for the quality and structure of Tucson IDA meetings.

Executive Committee: An Executive Committee focused on Finance and Real Estate will be established, with its inaugural meeting scheduled for Monday, June 23.

Groundswell Capital: Presented the results of the Rio Nuevo Impact Grants to the Rio Nuevo Board, which has tentatively approved doubling the funding for FY2026, with \$500,000 scheduled for disbursement. Groundswell was also selected by the National Association for Latino Community Asset Builders to participate in a Technical Assistance Accelerator Program in preparation for its CDFI application.

1 min

8th Item: Executive Session

The Board in accordance with ARS 38-431.03 (A) (3), (4) and (7) meet in Executive session to confer with and obtain legal advice from legal counsel regarding contract negotiations and may instruct its counsel related to real estate transactions related, to 450 N Main and our existing Exclusive Negotiating Agreement with Spire Development.

Motion: Chris Squires motioned to move into Executive Session at 4:50 p.m.

Second: Moniqua Lane

Action: Approved

Approved: 6

Abstained: 0

Against: 0

Motion: Mimi Petro moved to suspend Executive Session at 5:08 p.m.

Second: Moniqua Lane

Action: Approved

Approved: 6

Abstained: 0

Against: 0

1 min

9th Item: Review and Consider Action Related to 450 N Main - 062025-05

Following a discussion on the current status of 450 N. Main, the Board of Directors of the Tucson IDA is considering potential action related to the existing Exclusive Negotiation Agreement with Spire Development

Motion: Mimi Petro moved to terminate the Exclusive Negotiation Agreement with Spire Development.

Second: Moniqua Lane

Action: Approved

Approved: 6

Abstained: 0

Against: 0

1 min

10th Item: Call to Public

1 min

11th Item: Adjourn

Motion: Tim Kinney moved to Adjourn at 5:10 p.m.

Second: Meredith Aronson

Action: Approved

Approved: 6

Abstained: 0

Against: 0

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.