



Meeting Minutes and Legal Action 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: November 20, 2025
Time: 3:00 pm - 5:00 p.m.

In-person: 600 S. Meyer, Tucson, AZ, 85701
Zoom: <https://us06web.zoom.us/j/83438587148>

Agenda Overview

1. Call to Order & Mission Statement
2. Approval of Meeting Minutes
3. Possible Action: Inducement Resolution Craycroft Towers
4. Possible Action: Inducement Resolution Two35 Stone
5. Possible Action: Exclusive Negotiating Agreement
6. Possible Action: Approval of the Strategic Plan
7. Possible Action: Approval of the Appointment of two New Board Members for Groundswell Capital
8. Possible Action: Neighborhood Catalyst Fund
9. Organizational Updates
10. Call to Public
11. Adjournment

Attendees

BOD Present

Meredith Aronson
Mimi Petro
Moniqua Lane (via Zoom)
Tim Kinney
Patricia Schwabe (via Zoom)
Hector Jimenez
Chris Squires (via Zoom)

BOD Absent

Staff Attendees

Dre Thompson
Lila Heras
Marco Hidalgo
Erin McGuinness

General Council

Chris Ambrosio

Members of the Public/Guests

Ariel Estrada
Brigitte Finley
Eric Novak
Scott Riffle
Peter Anandranistakis
Francisca Villegas

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.

Call to order at 3:06 p.m.

2nd Item: Possible Action: Approval of Meeting Minutes

The Board reviewed and made a motion to approve the Draft Minutes of the Board Meeting held on October 16, 2025 as presented.

Motion: Mimi Petro
Second: Tim Kinney
Action: Approved 6-0

3rd Item: Possible Action: Inducement Resolution Craycroft Towers

Ariel Estrada provided details on the Craucroft Towers and Lee Street Duplexes project, which includes the renovation of 84 public housing units and the construction of a new community building. The project, led by El Pueblo Housing Development, is estimated to cost \$36.6 million and aims to modernize the facilities while extending their useful life for another 30 years. The renovation will involve significant upgrades to plumbing, electrical systems, and the addition of amenities. The Board asked Mr. Estrada about the project timing and plan for reducing impact on existing residents.

A motion was made to grant preliminary approval of the issuance of Multifamily Housing Revenue Bonds in the principal amount not to exceed \$20,000,000 to finance the project, and direct staff and counsel to prepare, and CEO or other Board officer to execute, an Inducement Resolution outlining such approval.

Motion: Mimi Petro
Second: Tim Kinney
Action: Approved 6-0

4th Item: Possible Action: Inducement Resolution Two35 Stone

Tim Kinney explained that, pursuant to the Bond Application, KG Development has requested that the Tucson IDA issue its multifamily housing revenue bonds in one or more tax-exempt and/or taxable series, with an aggregate principal amount not to exceed \$40,000,000 to finance the construction of 125-175 affordable multifamily housing units on property currently owned by the Tucson IDA at the northwest corner Stone Avenue and Council Street. The Board discussed the project timeline and the Tucson IDA's position in granting limited site control to the developer, in the form of an Exclusive Negotiating Agreement, which was previously approved by the Board at its May 15, 2025 meeting. Mr. Kinney emphasized that the Exclusive Negotiating Agreement contains strict deadlines for due diligence, and volume cap and tax credit approvals.

A motion was made to grant preliminary approval of the issuance of multifamily housing Revenue Bonds in the principal amount not to exceed \$40,000,000 to finance the project, and direct staff and counsel to prepare, and CEO or other board officer to execute, an Inducement Resolution outlining such approval.

Motion: Mimi Petro
Second: Meredith Aronson
Action: Approved 6-0

5th Item: Possible Action: Exclusive Negotiation Agreement

KG Development previously requested, and the Board approved at its May 15, 2025 meeting, that the Tucson IDA and KG Development enter into an Exclusive Negotiating Agreement for the Tucson IDA owned parcels at Stone and Council. The Board discussed the Exclusive Negotiating Agreement terms. Counsel for the Tucson IDA explained that the developers' changes to the agreement were acceptable and recommended that a Tucson IDA executive finalize and execute the agreement. Because the Board previously granted approval and signing authority for the Exclusive Negotiating Agreement, no further board action was required.

6th Item: Possible Action: Approval of the Tucson IDA's Strategic Plan

The Board discussed its review and potential adoption of the 3 Year Strategic Plan proposed by staff, which was developed based on discussions from the Board retreat and organized into three main focus areas: shared priorities, pipeline development, and enabling environment.

Motion was made to Approve the Tucson IDA's Strategic Plan as presented.

Motion: Mimi Petro
Second: Tim Kinney
Action: Approved 6-0

7th Item: Possible Action: Appointment of two New Board members for Groundswell Capital

The Tucson IDA has authority to approve appointments to Groundswell Capital's corporate board of directors. The CEO and staff presented Melissa Cordero, Armed Forces veteran and community organizer with focus on climate resilience, and Mitchell Moore, a CFO with expertise in affordable housing, net-zero construction, and public finances, as potential board appointments to Groundswell Capital. The Tucson IDA Board requested clarifications on the Groundswell Capital board terms and appointment cycle and status of existing board members.

A motion was made to appoint Melissa Cordero and Mitchell Moore as members of the Groundswell Capital Board.

Motion: Meredith Aronson

Second: Mimi Petro

Action: Approved 6-0

8th Item: Possible Action: Neighborhood Catalyst Fund

Based on Board feedback from previous meetings, the CEO presented the goals of the Neighborhood Catalyst Funds, which are to expand access to capital for small-scale, high impact development projects that strengthen Tucson's neighborhoods through adaptive reuse, infill housing, vacancy reduction, and mixed-use revitalization.

In connection with these goals, the CEO presented a potential pilot loan, which aims to help revitalize an empty lot adjacent to the gastropark on Broadway. Peter Andranistakis from Oxigen Haus shared detailed plans for a temporary Accessory Dwelling Unit exhibit at the northwest corner of Cherry and Broadway, which would draw inspiration from Sparkbox pop-up park in Phoenix. Funds from the loan would be used to produce pre-fabricated accessory dwelling units that would be placed at the site. The Board asked questions about the developer's plans for phasing development at the site, how activating the lot would help facilitate development of the adjacent Bungalow Block, and how activating the site would eventually help the developer assemble the adjacent parcels as part of a larger development aimed at providing permanent transit oriented housing and retail development. The Board also discussed the developers plans for selling these units to property owners in Tucson. The Board discussed with Counsel how to structure the loan and how the loan terms compared to the market. The Board discussed that a 10% interest only loan, secured by the units and underlying real estates, and with a personal guarantee from the developer, would be reasonable.

Based on such discussion, a motion was made to approve the Neighborhood Catalyst Fund pilot loan to Oxigen Haus for \$150,000.00, and to authorize legal counsel and staff to prepare and finalize loan documents for the loan.

Motion: Hector Jimenez

Second: Mini Petro

Action: Approved 6-0

9th Item: Organizational Updates

The Arizona is Home Program has been fully reserved with \$675,000, serving 75 out of 75 homebuyers (77% Latino, 3% African American, 51% female).

Bond Pipeline Activity was reviewed: \$316 million. **Closed projects:** Lariat Village and Tucson House. **Induced projects:** 139 Toole Ave, Craycroft Towers, and Two235 Stone. **Next quarter projects:** El Rio Stone Project, Compass Affordable Housing, Endeavour Active Living Community, and Soho Housing Partners – Eloy House.

Low Barrier Loans and Grants: \$3 Million in low-barrier loans. Avanza \$530,000 in small business grants. The 2025 year-end forecast is \$600,000.

October Financials – Presented by Erin McGuinness:

- **Revenue:** \$70,677, an increase of 24%, with 68% coming from parking lots.
- **Expenses:** \$89,266, with 42% for contract services including the audit.
- **Operating funds:** \$53,528. Medium-term and long-term investments include the relocation of funds.
- **Payments:** \$75K to Groundswell Capital, \$4,375K Tucson House bond fee, and \$16K MIF.

Staff Update: Anahi Figueroa Gastelum was hired as a Bilingual Financial Educator.

10th Item: Call to Public

None.

11th Item: Adjournment

Motion to adjourn at 4:36 p.m.

Motion: Mimi Petro

Second: Tim Kinney

Action: Approved 6-0

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. **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.