



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: Thursday, August 20, 2026
Time: 3:00 p.m. - 5:00 p.m.

In Person: 600 S, Meyer Ave, Tucson, AZ 85701
Zoom: <https://us06web.zoom.us/j/81478130371>

Agenda Overview

Attendees

BOD Present

Tim Kinney
Mimi Petro
Patricia Schwabe
Hector Jimenez (Zoom)
Moniqua Lane (Zoom)

BOD Absent

Chris Squires

Staff Attendees

Dre Thompson
Erin McGuinness

General Council

Chris Ambrosio

**Members of the
Public/Guests**

Fernando Garate
Nicole Johnson
R.J. Encinas
(Zoom)
Yuriy Shulhan

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 3:00 p.m.

2nd Item: Approval of Meeting Minutes

The Board reviewed and approved the Draft Minutes of the Regular Board Meeting held on June 18, and the Special Board Meeting on July 28, 2026.

Motion: Mimi Petro

Second: Tim Kinney

Action: Approved 5-0

3rd Item: New Business

The CEO presented a proposal for Tucson IDA to provide capital to Groundswell Capital for implementation of the Neighborhood Catalyst Fund and outlined two potential structures. **Option A** would have Tucson IDA contract with Groundswell Capital as the service provider, with funds transferred on a per-deal basis and a 1% servicing fee, with loans secured by title. **Option B** would have Tucson IDA lend funds directly to Groundswell Capital, with repayment made from loan proceeds.

The Board discussed its current loan practices, upcoming potential loans, and Groundswell's future plans to apply for CDFI status. Based on such discussion, a Motion was made to authorize Tucson IDA to contract with Groundswell Capital as servicer for the Neighborhood Catalyst Fund.

The servicing fee shall be 1%, and may be charged to the borrower, payable in cash or deducted from the “due-to/due-from” balance.

Motion: Mimi Petro

Second: TIm Kinney

Action: Approved 5-0

4th Item: Old Business

Dre Thompson, presented the Conflict of Interest and Whistleblower Policies for review. Chris Ambrosio, General Council, provided a summary of the Conflict of Interest Policy, including the nature of conflicts, restrictions on conducting business with family members or business partners, and the responsibilities and implications for employees and board members.

A Motion to approve the Conflict of Interest and the Whistleblower Policies as presented.

Motion: Mimi Petro

Second: Moniqua Lane

Action: Approved 5-0

Yuriy Shulhan, Director of Lending, presented the potential Neighborhood Catalyst Loan Fund project for DUST Architects. DUST originally applied for an AVANZA loan but may be a better fit for the Neighborhood Catalyst Fund. DUST recently purchased a long-vacant former building at 902 N. Main Ave. on the west side of Tucson, which it plans to fully rehabilitate and convert for use as its offices . The board discussed the plan of financing, budget and other loan terms with Counsel and Mr. Shulhan. Based on such discussion the following motion was made:

Motion: To approve a Neighborhood Catalyst Loan to DUST Architects in the amount not to exceed \$175,000 for costs associated with the development of 902 N. Main Ave., subject to the terms and conditions and applicable program requirements, and authorizing staff and counsel to negotiate and finalize all appropriate loan documents.

Motion: Mimi Petro

Second: Patricia Schwabe

Action: Approved 5-0

5th Item: Organizational Updates

The 2026 Southern Arizona Development Finance Summit will be held September 10–11 as a two-day finance conference featuring an Emerging Developers Bootcamp, a Nonprofit Developers Bootcamp, and an Innovative Development Project Pitch Competition with a \$1,000 award. The event has generated \$5,700 in ticket sales, \$28,000 in cash sponsorships, and \$4,000 in in-kind sponsorships.

Bonds

The CEO provided an update on the bond program, noting that the Endeavor project remains stalled with no update on when the project will return to the market. The Craycroft Towers project is expected to proceed with TEFRA and final approval in September. Bond pipeline business development efforts include attending and speaking at the ADOH Conference in August, participating in the Development Finance Summit in September, and a site-selection trip to Washington, D.C., in September.

Housing

Nicole Johnson, Director of Housing, reported that the Arizona Is Home program is fully deployed. She also reported that the final tranche of the previously approved \$250,000 to Community Investment Corporation was used to capitalize Advantage programs. In July, Advantage generated \$15,000 and Arizona Is Home generated \$20,000. Nicole also noted that the programs assisted 158 families last year and 205 families this year, representing approximately a 30% increase in families served. From January through July, Tucson IDA contributed \$150,000, with Advantage generating \$70,858 in returns and Arizona Is Home generating \$21,535 in returns.

Financials

Erin McGuinness, VP of Finance, presented the financial information for July 2026. Total revenue was \$385,388, including \$270,000 from the Arizona Is Home DR release.

Net operating income was \$296,117, with a change in net assets of \$284,935. Total expenses were \$89,271. The cash analysis showed operating funds of \$(405,392), medium-term investments of \$321,381, and long-term investments of \$(9,617).

Groundswell Capital

The Office of Economic Resilience / Department of Energy provides a total award of \$500,000 to support energy efficiency and onsite energy generation upgrades for nonprofits, small businesses, and quasi-governmental organizations. Financing is structured as a seven-year loan at 1% interest, with interest-only payments during the initial years.

The Rio Nuevo Grants represent a total investment of \$750,000, generating an estimated \$1.3 million in local economic activity, supporting 38 jobs created or retained, and contributing approximately \$2.25 million in additional annual business revenue. Tucson IDA secured \$250K

6th Item: Executive Session

Pursuant to *A.R.S. § 38-431.03(A)(3) and (A)(4)*, the Board may discuss with, consult with, obtain legal advice from and may instruct its counsel regarding the status of, and issues related to its contract negotiations with Downtown Tucson Partnership.

Motion to move to Executive Session at 4:40 p.m.

Motion: Mimi Petro

Second: Tim Kinney

Action: Approved 5-0

7th Item: Open Session

Motion to reconvene to Open Session at 5:01 p.m.

Motion: Mimi Petro

Second: Tim Kinney

Action: Approved 5-0

The Board discussed the Downtown Tucson Partnership Contribution Agreement, which included the Board's desire to continue providing financial support to Downtown Tucson Partnership. .

Based on such discussion, Motion was made for staff and counsel to negotiate the contribution agreement with Downtown Tucson Partnership that allows Tucson IDA to make discretionary annual payments to Downtown Tucson Partnership and for the Tucson IDA's executive to execute any final agreement.

Motion: Mimi Petro

Second: Tim Kinney

Abstain: Patricia Schwabe

Action: Approved 4-0

8th Item: Call to Public

None.

9th Item: Adjournment

Motion to Adjourn at 5:02 p.m

Motion: Mimi Petro

Second: Tim Kinney

Action: Approved 5-0

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.