



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, October 15, 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
Moniqua Lane
Chris Squires

BOD Absent

General Council
Chris Ambrosio

Staff Attendees

Dre Thompson
Erin McGuinness
Nicole Johnson
RJ Encinas

**Members of the
Public/Guests**

Scott Riffle
Jeff Bader
Gregg Ghelfi
Ryan Carter
Eric Novak
Bryan Prater
Bridgite Finley
John Evans

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 3:01 p.m.

2nd Item: Approval of Meeting Minutes

The Board reviewed and approved the Draft Minutes of the Regular Board Meeting held on August 20, 2026.

Motion: Mimi Petro

Second: Moniqua Lane

Action: Approved 5-0

3rd Item: New Business

Arizona Housing Acceleration Fund

Gregg Ghelfi presented the Arizona Housing Acceleration Fund, with Mesirow Capital serving as its financial advisor. The AFA is seeking to raise capital to establish and manage a statewide fund that will provide a diverse range of lending solutions to support affordable and workforce housing development. The fund aims to foster collaboration among public and private sector stakeholders, government entities, and other partners to expand housing development opportunities throughout Arizona.

The AFA is requesting that the Tucson IDA Board of Directors approve a \$500,000 grant to support the initiative. The Board will review the proposal at its next meeting.

Possible Action Mercy Housing Inducement Resolution

Jeff Bader explained that Mercy Housing Mountain Plains is one of the largest nonprofit affordable housing organizations in the United States. The organization develops, finances, renovates, and manages affordable rental housing for low-income families, seniors, and individuals with special needs. Its approach combines affordable homes with resident services designed to promote long-term housing stability, financial security, health, and community engagement.

Mercy Housing is advancing a proposed 170-unit affordable housing project located at 103 W. Limberlost Avenue, in Tucson. The project is designed to expand access to affordable rental homes and incorporate resident services. A City of Tucson presentation identifies an anticipated construction start in early 2027.

Based on the presentations and board discussion a motion was made that the Board of Directors of the Tucson Industrial Development Authority grant preliminary approval for the issuance of tax-exempt conduit revenue bonds, in an aggregate principal amount not to exceed \$20 million, for the benefit of Mercy Housing Mountain Plains to finance a portion of the acquisition, construction, and development of the Limberlost Family Village Project.

Motion: Mimi Petro

Second: Moniqua Lane

Action: Approved 6-0

Dre Thompson recommended changing the order of the agenda to accommodate guests joining from the East Coast.

4th Item: Old Business

Erick Novak and Bridgite Finley provided a summary of the Craycroft Towers project, highlighting that the volume cap deadline is December 15

Possible Action: Craycroft Towers Final Approval

Based on the information provided and some discussion a motion was made to grant final approval to issue Multifamily Housing Revenue Bonds for the Craycroft Towers and Lee Street Duplexes Project, Series 2026, in an aggregate principal amount not to exceed \$10 million, and authorize and direct the CEO or Board President, on behalf of the Board and for and in the name of the Authority, to execute and deliver the Final Approval Resolution and any related transaction documents, including but not limited to, the, Master Pledge and Assignment, Master Agency Agreement, Loan Agreement, Note, Regulatory Agreement, and Unassigned Rights Guarantee in the form submitted to this meeting, with such changes, insertions and omissions as the Bond Counsel and the IDA's General Counsel may require or approve

Motion: Moniqua Lane

Second: Mimi Petro

Action: Approved 6-0

Additional Mortgage Service Presentation

Nicole Johnson, Director of Housing & Strategic Initiatives presented a housing program snapshot PTHS Advantage, EDGE and AIH. Tucson IDA has contributed \$975,000 to the ADV/EDGE Down Payment Assistance (DPA) program. In FY26, the program generated approximately \$133,000 in income, averaging \$11,000 per month and representing approximately 11% of total revenue. The program's estimated annualized return on investment (ROI) is 20%.

Also, she commented that Tucson IDA is exploring the addition of The Money Source (TMS) as a second mortgage servicer to expand the Housing Innovation Hub's mortgage product offerings and reach more qualified homebuyers.

The objective is to add another servicing partner to the platform and evaluate whether this expanded approach can improve access to mortgage financing, strengthen execution, and enhance the competitiveness of Tucson IDA's homeownership offerings.

The proposal would outline the recommended first mortgage and down payment assistance (DPA) structure, underwriting parameters, pricing, fees, loan terms, servicing model, and anticipated program impact.

Tucson IDA would use the proposal to conduct due diligence and evaluate the opportunity alongside its existing U.S. Bank programs. Following this review, Tucson IDA would return to the Board with a recommended pilot structure, implementation plan, and defined performance measures for consideration. Subject to the outcome of the review and Board consideration, a potential program launch is anticipated for late 2026 or early 2027.

5th Item: Organizational Updates

Programs Update

The 2026 Southern Arizona Development Finance Summit was a success, with 129 tickets sold and \$34,000 in funds raised. The Summit brought together industry professionals and community partners to strengthen relationships, encourage collaboration, and promote development finance opportunities across Southern Arizona.

The event served as a catalyst for advancing high-quality development, supporting a stronger regional economy, and spreading a constructive, pro-business message that encourages investment, innovation, and sustainable economic growth.

Tucson Small Business Center

The Tucson Small Business Center celebrated its first anniversary, marking a successful year of community engagement and economic development. Since opening, the Center has welcomed 4,600 visitors, averaging approximately 300 visitors per month, and has helped local businesses access capital and resources to support their growth.

Key accomplishments include \$1.43 million in total development financing, with \$830,000 deployed to 35 small businesses, and \$600,000 in grants awarded to 54 small businesses and 15 nonprofit organizations.

These milestones reflect the Center's commitment to expanding access to capital, strengthening small businesses, and supporting economic growth throughout the Tucson community.

Dre Thompson presented the quarterly Strategic Plan Progress Report, highlighting progress across five strategic priorities: Development Finance Leadership, Community Finance Growth, Housing Finance Expansion, Entrepreneurship Ecosystem Leadership, and Organizational Excellence.

Financial Review

Erin McGuinness, VP of Finance, presented an Executive Summary of the Q1 financial report reflecting total revenue of \$640,631, compared to a budget of \$562,234, representing 51% of the FY27 budget.

Total expenses were \$364,512, below the budgeted \$380,172, or 24% of the annual budget. Net operating revenue was \$276,119, exceeding the budgeted \$182,063. Net revenue totaled \$259,888, compared to the budgeted \$237,189.

The financial information for September 2026. Total revenue was \$101,597. Net operating income was \$-40,844, with a change in net assets of \$-121,588. Total expenses were \$142,442. The cash analysis showed operating funds of \$-135,744, medium-term investments of \$-5,467, and long-term investments of \$-82,253.

6th Item: Call to Public

None.

7th Item: Adjournment

Motion to Adjourn at 4:57 p.m

Motion: Mimi Petro

Second: Chris Squires

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.