

Meeting Minutes

**ARIZONA FINANCE AUTHORITY
BOARD OF DIRECTORS MEETING**

Location:

In-Person Meeting at
Sonesta Suites Scottsdale Gainey Ranch
7300 East Gainey Suites Drive, Scottsdale, Arizona 85258
In Gainey Ballroom A/B

Date and Time:

Thursday, March 16, 2023
3:30 p.m.

Board Members Present (Appearing Telephonically):

Ken Burns
Paulina Vazquez Morris
Gary Naquin

Board Members Absent:

Lea Márquez Peterson
Brad Vynalek

Meeting Facilitator:

Kelly McGuire – Kutak Rock LLP

Actions:

1. Call to Order:

The Arizona Finance Authority meeting was called to order by Chairman Gary Naquin at 3:30 p.m. Participating telephonically were Ken Burns, Paulina Vazquez Morris and Gary Naquin. Lea Márquez Peterson and Brad Vynalek were absent. A quorum was declared present.

2. Adoption of the Minutes of the February 16, 2023, AFA Board Meeting:

Board member **Paulina Vazquez Morris** moved to adopt the minutes of the February 16, 2023, AFA Board Meeting. Board member **Ken Burns** seconded the motion.

The Board Members were individually polled – Ken Burns (yes), Paulina Vazquez Morris (yes), Gary Naquin (yes), and by a vote of 3-0 the motion passed.

3. Approval of Consent Agenda:

Approval of the Arizona Industrial Development Authority Proceedings on March 16, 2023

1. AFA Resolution No. 2023-5 – Centerline on Glendale, LLC – Authorizing an amendment to Resolution 2023-2 which granted final approval of not-to-exceed \$35,000,000 of Multifamily Housing Revenue Bonds (Centerline on Glendale Project), to be issued in one or more tax-exempt and/or taxable series for the benefit of Centerline on Glendale, LLC, related to participation of new co-lender.

2. AFA Resolution No. 2023-6 – Centerline on Glendale Two, LLC – Authorizing an amendment to Resolution 2023-3 which granted final approval of not-to-exceed \$35,000,000 of Multifamily Housing Revenue Bonds (Centerline on Glendale Two Project), to be issued in one or more tax-exempt and/or taxable series for the benefit of Centerline on Glendale Two, LLC, related to participation of new co-lender.

3. AFA Resolution No. 2023-7 – QCF Behavioral Hospitals I, LLC – Authorizing an amendment to Resolution 2021-71 (as extended by Resolution 2022-28), which granted final approval of not-to-exceed \$640,000,000 of revenue current interest bonds and convertible capital appreciation bonds to be issued in one or more tax-exempt and/or taxable series to assist in the financing of behavioral healthcare facilities in Las Vegas, Nevada, and San Antonio, Texas, in order to clarify the borrowing entity as QCF Behavioral Hospitals I, LLC and to approve revised forms of related financing, sale and offering documents.

Board member **Ken Burns** moved to adopt the consent agenda, as presented. Board member **Paulina Vazquez Morris** seconded the motion.

The Board Members were individually polled – Ken Burns (yes), Paulina Vazquez Morris (yes), Gary Naquin (yes), and by a vote of 3-0 the motion passed.

4. Board Member Report

Mr. Burns provided an update on the status of the response to the recommendations made in the performance audit and sunset review (Report 22-113) prepared by the Arizona Auditor General.

In addition to the policies that AZIDA has and will develop, AFA is in the process of developing policies relating to the tracking of deposits and statutorily required transfer of funds, separation of duties, etc. The OEO accounting staff is taking responsibility for receiving, recording and tracking all deposits and will be able to provide information relating to the funds available to be released at the end of the year and provide that information to the AFA Director, once that position has been filled. Mr. Burns indicated that there is adequate staffing in order to separate duties.

Mr. Burns informed the staff that GADA responsibilities will stay with the AFA. Mr. Dialessi has offered his expertise and assistance with that transition.

The program manager for ACA's State Small Business Credit Initiative Program, Matthew Bolin, is taking on the role of private activity bond volume cap program manager on behalf of AFA.

Mr. Burns indicated that the ADOA has created a job position for the AFA Director so that position is now available to be filled. That position would be an employee of the State of Arizona, appointed by the Governor. He asked the board members to send any recommendations they may have for this position. Mr. Burns then offered to entertain questions from the board members.

Board Member Paulina Vazquez Morris requested that the job posting for the AFA Director be sent out to the Board Members. Mr. Burns indicated he will provide a draft job description and that he is open to any suggestions for additions to that job description.

5. Call to the Public

Chairperson Naquin announced a call to the public for comments.

No comments were made.

6. Announcements

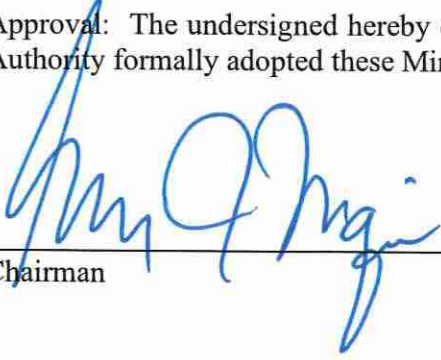
Chairperson Naquin announced that the next regular meeting of the Arizona Finance Authority would be held on Thursday, April 20, 2023, commencing immediately following adjournment of the Arizona Industrial Development Authority meeting.

7. Adjournment

Board member **Ken Burns** motioned for adjournment of the AFA Board Meeting at 3:37 p.m. Board member **Paulina Vazquez Morris** seconded the motion.

The Board Members were individually polled – Ken Burns (yes), Paulina Vazquez Morris (yes), Gary Naquin (yes), and by a vote of 3-0 the motion passed.

Approval: The undersigned hereby certifies that the Board of Directors of the Arizona Finance Authority formally adopted these Minutes on the date shown below.



Chairman

May 18, 2023

Date of Board Action