

Meeting Minutes

ARIZONA INDUSTRIAL DEVELOPMENT AUTHORITY BOARD OF DIRECTORS MEETING

Location:

In-Person Meeting at
Sonesta Suites Scottsdale Gainey Ranch
7300 East Gainey Suites Drive, Scottsdale, Arizona 85258
In the Gainey Room B/C

Date and Time:

Thursday, September 15, 2022
3:02 p.m.

Board Members Present (Appearing Telephonically):

Gary Naquin
Jim Keeley
Lea Márquez Peterson
Paulina Vazquez Morris

Kenneth Burns – appointed, but non-voting

Board Members Absent:

None

Meeting Facilitator:

Keela Seelandt – Kutak Rock LLP

Presenters:

Mr. Kuhl Brown, Mercy Housing Mountain Plains
Ms. Alicia Johnson, KIPP NYC
Mr. Pat Ray, Cathedral Rock Issuer Services, LLC

Actions:

1. **Call to Order:**

The meeting was called to order by Gary Naquin, President of the Board of the Arizona Industrial Development Authority (AZIDA) at 3:02 p.m. Participating via telephone were Gary Naquin, Jim Keeley, Lea Márquez Peterson and Paulina Vazquez Morris. Kenneth Burns attended but did not vote pending submission of oath. No board members were absent. A quorum was declared present.

2. **Adoption of Minutes of the August 19, 2022 AZIDA Board Meeting**

Board member **Paulina Vazquez Morris** moved to adopt the minutes of the August 19, 2022 AZIDA Board Meeting. Board member **Lea Márquez Peterson** seconded the motion.

The Board Members were individually polled – Jim Keeley (yes), Lea Márquez Peterson (yes), Paulina Vazquez Morris (yes), Gary Naquin (yes), and by a vote of 4-0 the motion passed.

3. **Agenda Items Considered:**

Presentation, Discussion & Adoption

Approval of Resolution No. 2022-39 – Granting final approval of not-to-exceed \$9,000,000 of Multifamily Housing Revenue Note (Western Winds Apartments) to be issued in one or more tax-exempt and/or taxable series to assist in the financing of a qualified residential rental facility located in Tucson, Arizona, for the benefit of MHMP 17 Western Winds Apartments LLLP.

Kuhl Brown, Mercy Housing Mountain Plains, gave a summary of the proposed project and offered to entertain questions from the Board. Board member Gary Naquin questioned whether the \$9,000,000 is part of a multi-year proposal with additional funds being requested in upcoming years to complete the project overhaul. Mr. Brown said the amount requested, along with 4% low-income housing tax credits and additional ADOH financing, will be enough to expect another 20-25 years of facility longevity.

Board member **Jim Keeley** motioned to approve Resolution No. 2022-39 as presented. Board member **Paulina Vazquez Morris** seconded the motion.

The Board Members were individually polled – Jim Keeley (yes), Lea Márquez Peterson (yes), Paulina Vazquez Morris (yes), Gary Naquin (yes), and by a vote of 4-0 the motion passed.

Presentation, Discussion & Adoption

Approval of Resolution No. 2022-40 – Granting preliminary approval of not-to-exceed \$300,000,000 of Education Revenue Bonds (KIPP NYC Public Charter Schools – Canal West Project), to be issued in one or more tax-exempt and/or taxable series to assist in the financing of non-profit educational facilities to be located in Bronx, New York, for the benefit of Canal West 75, LLC.

Ms. Alicia Johnson, the President of KIPP NYC, gave a summary of the project and offered to entertain questions from the Board. Board member Gary Naquin asked how KIPP NYC became introduced to AZIDA. Ms. Johnson said that they have an excellent real estate team who introduced KIPP NYC through Stifel, Nicolaus & Company, Inc. and have had an excellent experience working with AZIDA. Pat Ray, Cathedral Rock Issuer Services, LLC, reminded the Board that this will be KIPP’s third financing through AZIDA and that all involved are hoping for KIPP schools to come to Arizona in the future.

Board member **Paulina Vazquez Morris** motioned to approve Resolution No. 2022-40 as presented. Board member **Jim Keeley** seconded the motion.

The Board Members were individually polled – Jim Keeley (yes), Lea Márquez Peterson (yes), Paulina Vazquez Morris (yes), Gary Naquin (yes), and by a vote of 4-0 the motion passed.

4. **Call to the Public**

President Naquin announced a call to the public for comments.

Pat Ray, Cathedral Rock Issuer Services, LLC, wanted to update the Board on financing defaults, reminding the Board that up until last week they were aware of two defaults. Last week a third formal default notice was received on the Eastern Michigan University parking structure transaction, mainly due to COVID and students not attending the university in person eliminating the need to pay to park on site. Even with the recent default notice, Mr. Ray noted that the overall the default rate is very, very low. Mr. Ray also advised the Board that the \$250,000,000 Legacy Cares, Inc. Mesa, Arizona sporting facility financing received a notice of demand for arbitration relating to a \$13,000,000 turf dispute, but that AZIDA has no liability in connection with this disagreement.

No other comments were made.

5. **Announcements**

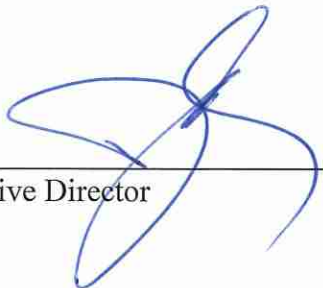
President Naquin announced that the next meeting of the Arizona Industrial Development Authority Board Meeting would be held on Thursday, October 20, 2022, and said to please consult the Arizona IDA website for any changes and/or meeting details.

6. **Adjournment**

Board member **Lea Márquez Peterson** adjournment of the AZIDA Board Meeting at 3:17 p.m. Board member **Paulina Vazquez Morris** seconded.

The Board Members were individually polled – Jim Keeley (yes), Lea Márquez Peterson (yes), Paulina Vazquez Morris (yes), Gary Naquin (yes), and by a vote of 4-0 the motion passed.

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



Executive Director

October 20, 2022

Date of Board Action