

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, July 21, 2022
3:01 p.m.

Board Members Present (Appearing In Person):

Gary Naquin, President
Jim Keeley

Board Members Present (Appearing Telephonically):

Mike Godbehere
Lea Márquez Peterson

Board Members Absent:

Paulina Vazquez Morris

Meeting Facilitator:

Keela Seelandt – Kutak Rock LLP

Presenters:

Ms. Sally Schwenn, Gorman USA
Mr. Kevin Sturgeon, Roers Companies
Mr. Mike Moss, MACQ – Illinois
Mr. Jonathan Kling, MACQ – Illinois
Mr. Pat Ray, Cathedral Rock Issuer Services, LLC
Mr. John Snider, RBC Capital Markets, LLC
Ms. Kelly McGuire, Esq., AZIDA Conduit Bond Issuer’s Counsel, Kutak Rock LLP

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 3:01 p.m. Participating in person were Gary Naquin and Jim Keeley. Participating via telephone were Mike Godbehere and Lea Márquez Peterson. Paulina Vazquez Morris was absent. A quorum was declared present.

2. **Adoption of Minutes of the June 16, 2022 AZIDA Board Meeting**

Board member **Lea Márquez Peterson** moved to adopt the minutes of the June 16, 2022 AZIDA Board Meeting. Board member **Mike Godbehere** seconded the motion.

The Board Members were individually polled – Jim Keeley (yes), Mike Godbehere (yes), Lea Márquez Peterson (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. 2022-30 – Granting preliminary approval of not-to-exceed \$30,000,000 of multifamily housing revenue bonds, notes or other obligations, to be issued in one or more tax exempt and/or taxable series for the benefit of Chandler Trails, LLC.

Sally Schwenn, Gorman USA, gave a summary of the project and offered to entertain questions from the Board. Board member **Mike Godbehere** asked about the number of units and project timing. Sally Schwenn stated that there will be 157 units and they are planning a fall 2023 start and are currently working on the preliminary work / design plans. Board member **Gary Naquin** asked whether there were sunsets on the tax credits and Ms. Schwenn said no, they were seeking a 4% LIHTC allocation. Board member **Mike Godbehere** then motioned to approve Resolution No. 2022-30 as presented. Board member **Jim Keeley** seconded the motion.

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

Presentation, Discussion & Adoption

Approval of Resolution No. 2022-31 –Repealing Resolution No. 2021-51 and granting final approval of not-to-exceed \$33,000,000 of Multifamily Housing Revenue Notes (Solana Villas Project), Series 2022, to be issued in one or more tax exempt and/or taxable series, for the benefit of Roers Buckeye Downtown Limited Partnership.

Board member Jim Keeley asked that the record reflect that he is a partner with Colliers International’s Scottsdale Office and has an apparent conflict of interest with respect to agenda item 3 (Resolution No. 2022-31) as a member of the financing teams are also employed by Colliers International. He excused himself from the meeting during the discussion and vote on this matter.

Kevin Sturgeon, Roers Companies, gave a summary of the revised project and offered to entertain questions from the Board. Board member **Mike Godbehere** asked about the project timing and Mr. Sturgeon said that they plan to begin construction in mid-September with a 20-month construction timeline which will complete the units by the end of 2023 or first quarter 2024. Board member **Gary Naquin** asked what the anticipated contingency amount was whether the current market dollar amount had been finalized. Mr. Sturgeon indicated that Roers budget was still being finalized but was currently showing between \$2,000,000 and \$3,000,000 as contingency.

Board member **Lea Márquez Peterson** then motioned to approve Resolution No. 2022-31. Board member **Mike Godbehere** seconded the motion.

The Board Members were individually polled – Mike Godbehere (yes), Lea Márquez Peterson (yes), Gary Naquin (yes), and by a vote of 3-0 the motion passed. The record reflects that Board member Jim Keeley rejoined the meeting.

Presentation, Discussion & Adoption

Approval of Resolution No. 2022-32 – Granting final approval of not-to-exceed \$35,000,000 of Lease Revenue Bonds (Greenville University – Student Housing and Athletic Facilities Project), in one or more tax-exempt and/or taxable series for the benefit of MACQ – Illinois I, LLC.

Mike Moss, MACQ – Illinois, gave a summary of the project and offered to entertain questions from the Board. Board members **Jim Keeley** and **Gary Naquin** had questions regarding this projects’ relationship to Arizona. Board member **Mike Godbehere** asked for relationship details benefiting Arizona other than the fee paid to AZIDA. Jonathan Kling, MACQ – Illinois, indicated that they are returning to AZIDA because of the prior relationship they have had with several financings over the years. Pat Ray stated that while AZIDA does shy away from standalone out-of-state financings, MACQ was a repeat customer that pays a substantial fee to finance through AZIDA. Kelly McGuire noted that the proposed project held a host TEFRA hearing in Illinois and received approval from the City of Greenville, Illinois, and that she had received indications that issuer TEFRA approval would be forthcoming, as well, following the local hearing. **Mike Godbehere** asked if delaying the AZIDA approval for this financing would impact this project. Mike Moss indicated that delays were not ideal from a construction standpoint. Additional discussion followed and it was determined that the project would be postponed for consideration at a special meeting. Board member **Jim Keeley** then motioned to postpone consideration of Resolution No. 2022-32 to be considered at a future meeting. Board member **Gary Naquin** seconded the motion.

The Board Members were individually polled – Jim Keeley (yes), Mike Godbehere (yes), Lea Márquez Peterson (no), Gary Naquin (yes), and by a vote of 3-0 the motion passed.

Presentation, Discussion & Adoption

Approval of Resolution No. 2022-33 – Granting final approval of not-to-exceed \$250,000,000 of National Charter School Revolving Loan Fund Revenue Bonds, Series 2022, in one or more tax-exempt series for the benefit of Equitable Facilities Fund, Inc.

John Snider, RBC Capital Markets, LLC, gave a summary of the proposed project noting that this is the 4th financing AZIDA has considered for the National Charter School Revolving Loan Fund which includes / has included Arizona schools in the 2019, 2020 and 2021 projects and noted that the 2021 bonds specifically had been issued as “social bonds” which is a general designation that the funds benefit students from underserved communities, students living below the 10 poverty line, students with parents that are undereducated, and homeless students. Board members **Gary Naquin** and **Mike Godbehere** asked about specific Arizona schools in the fund and whether Arizona schools could be prioritized. Mr. Snider indicated that there are 12 Arizona schools in the fund with an additional 10 loans in process.

Board member **Mike Godbehere** motioned to approve Resolution No. 2022-33 as presented. Board member **Jim Keeley** seconded the motion.

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

Presentation, Discussion & Adoption

Approval of Resolution No. 2022-34 – Authorizing an amendment to final approval Resolution No. 2022-9, adopted by the Authority on March 17, 2022, to correct address information in the project description approved to be financed with not-to-exceed \$25,000,000 of Education Revenue Bonds (KIPP Nashville Projects), Series 2022, for the benefit of KIPP Nashville.

Kelly McGuire, Kutak Rock LLP, gave a summary of the amendment, which corrected a transposition of a street number and added additional street numbers to describe one large parcel. There were no questions from the Board.

Board member **Lea Márquez Peterson** motioned to approve Resolution No. 2022-34 as presented. Board member **Mike Godbehere** seconded the motion.

The Board Members were individually polled – Jim Keeley (yes), Mike Godbehere (yes), Lea Márquez Peterson (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.

No comments were made.

5. **Announcements**

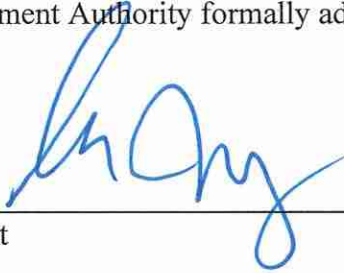
President Naquin announced that the next meeting of the Arizona Industrial Development Authority Board Meeting would be held on Thursday, August 19, 2022, and said to please consult the Arizona IDA website for any changes and/or meeting details.

6. **Adjournment**

Board member **Mike Godbehere** adjournment of the AZIDA Board Meeting at 3:37 p.m. Board member **Jim Keeley** seconded.

The Board Members were individually polled – Jim Keeley (yes), Mike Godbehere (yes), Lea Márquez Peterson (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.



President

August 19, 2022

Date of Board Action