

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, June 16, 2022
3:04 p.m.

Board Members Present (Appearing In Person):

Jim Keeley (initially appeared telephonically
and arrived in person at approximately 3:19 p.m.)

Board Members Present (Appearing Telephonically):

Gary Naquin, President
Mike Godbehere
Paulina Vazquez Morris

Board Members Absent:

Lea Márquez Peterson

Meeting Facilitator:

Keela Seelandt – Kutak Rock LLP

Presenters:

Mr. Matt Klein, Lincoln Avenue Capital
Mr. Ahmed Abdelhameed, Ulysses Development
Mr. Mitchell Moore, ACCEL
Mr. Chuck Lotzar, Lotzar Law Firm, P.C.
Mr. James D. Golden, Domain Communities
Mr. Pat Ray, AZIDA Program Manager, Cathedral Rock Issuer's Services, LLC
Mr. Dirk Swift, AZIDA Executive Director
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 3:04 p.m. Participating in person was Jim Keeley. Participating via telephone were Gary Naquin, Mike Godbehere and Paulina Vazquez Morris. Lea Márquez Peterson was absent. A quorum was declared present.

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

Board member **Jim Keeley** moved to adopt the minutes of the May 19, 2022 AZIDA Board Meeting. Board member **Mike Godbehere** seconded the motion.

The Board Members were individually polled – Jim Keeley (yes), Mike Godbehere (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. 2022-24 – Authorizing an amendment to Resolution No. 2021-26 previously adopted by the Authority to increase the not-to-exceed-aggregate principal amount of multifamily housing revenue bonds, notes or other obligations to be issued to finance a qualified residential rental facility for general occupancy to be located in Maricopa, Arizona, in one or more tax exempt and/or taxable series, for the benefit of Lincoln Avenue Capital, LLC, to \$55,000,000, and granting an extension of such preliminary approval.

Matt Klein, Lincoln Avenue Capital, gave a summary of the amendment and request for extension and offered to entertain questions from the Board.

Board member **Mike Godbehere** motioned to approve Resolution No. 2022-24 as presented. Board member **Jim Keeley** seconded the motion.

The Board Members were individually polled – Jim Keeley (yes), Mike Godbehere (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. 2022-25 – Granting preliminary approval of not-to-exceed \$27,000,000 of multifamily housing revenue bonds, notes, or other obligations to be issued to finance a qualified residential rental facility for general occupancy to be located in Phoenix, Arizona to be issued in one or more tax exempt and/or taxable series, for the benefit of a tax credit limited liability company or partnership to be formed by Ulysses Development Group LLC.

Ahmed Abdelhameed of Ulysses Development gave a summary of the project and offered to entertain questions from the Board.

Board member **Jim Keeley** motioned to approve Resolution No. 2022-25 as presented. Board member **Mike Godbehere** seconded the motion.

The Board Members were individually polled – Jim Keeley (yes), Mike Godbehere (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. 2022-26 – Granting final approval of not-to-exceed \$4,500,000 of Education Facility Revenue Bonds (ACCEL Schools Project), to be issued in one or more tax exempt and/or taxable series, for the benefit of ACCEL, an Arizona nonprofit corporation.

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 7 (Resolution No. 2022-26) 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.

Mitchell Moore of ACCEL gave a summary of the project and offered to entertain questions from the Board.

Board member **Mike Godbehere** asked whether this project involves any new construction and Mr. Moore said that they have been in the facility for the last 15 months operating several of their programs, and there are no plans for construction at the site.

Board member **Mike Godbehere** then motioned to approve Resolution No. 2022-26. Board member **Gary Naquin** seconded the motion.

The Board Members were individually polled – Mike Godbehere (yes), Paulina Vazquez Morris (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. 2022-27 – Granting final approval of not-to-exceed \$47,000,000 of Multifamily Housing Revenue Notes (Bethany Glen Apartments Project), and Multifamily Housing Revenue Bonds (Bethany Glen Apartments Project), each in one or more tax-exempt and/or taxable, senior and/or subordinate series to assist in the financing of a qualified residential rental facility located in Glendale, Arizona for the benefit of Bethany Glen Community Partners 2, Limited Partnership.

Chuck Lotzar, Lotzar Law Firm, P.C., gave a summary of the proposed project and offered to entertain questions from the Board.

Board member **Jim Keeley** arrived in person at approximately 3:19 p.m. and motioned to approve Resolution No. 2022-27 as presented. Board member **Mike Godbehere** seconded the motion.

The Board Members were individually polled – Mike Godbehere (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. 2022-28 – Granting an extension of final approval of not-to-exceed \$640,000,000 of Revenue Bonds (QCF/I Facilities), 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 for the benefit of QCF/I, Inc., and authorizing the issuance of such bonds in senior and/or subordinate series.

James D. (JD) Golden of Domain Communities gave a summary of the request for extension and offered to entertain questions from the Board.

Board member **Mike Godbehere** motioned to approve Resolution No. 2022-28 as presented. Board member **Jim Keeley** seconded the motion.

The Board Members were individually polled – Jim Keeley (yes), Mike Godbehere (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. 2022-29 – (HOME Plus Program) Authorizing the encumbering of monies to self-fund the Authority’s HOME Plus down-payment assistance program.

Dirk Swift, AZIDA Executive Director, and Pat Ray, Cathedral Rock Issuer Services, LLC, gave an update and status on AZIDA’s HOME Plus program, the various market conditions affecting it, and proposing a plan to self-fund down payment assistance in the current environment. They then offered to entertain questions from the Board.

Board members **Gary Naquin**, **Jim Keeley** and **Mike Godbehere** asked various questions about the amounts to be transferred to the State Housing Trust Fund and whether the Arizona Department of Housing was relying on money they expected to be transferred from AZIDA and discussed the amount that was contributed last year. Pat Ray indicated that he and AZIDA Executive Director Dirk Swift met again with the Arizona Department of Housing Director Simplot and his staff and that an email exchange with Director Simplot was included in the board packet materials. Executive Director Swift described the risk analysis in connection with self-funding the DPA loans, which was less than 1%. Board member **Gary Naquin** asked whether AZIDA had the authority to direct these funds and could AZIDA receive an opinion of counsel on the self-funding. Kelly McGuire, a partner with Kutak Rock LLP, as AZIDA’s counsel, stated that AZIDA does have the authority and that her firm would provide a written legal opinion.

Board member **Jim Keeley** motioned to approve Resolution No. 2022-29 in the form presented by adding “*in the dollar amount of \$15,000,000.*” Board member **Mike Godbehere** seconded the motion.

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

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, July 21, 2022, and said to please consult the Arizona IDA website for any changes and/or meeting details.

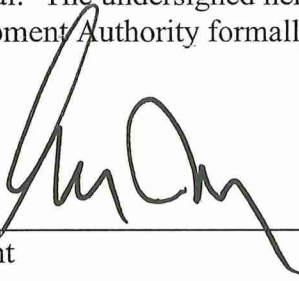
Pat Ray, AZIDA Program Manager, announced that after four and a half years of service, Mike Godbehere will be stepping down from AZIDA's Board of Directors. Mr. Godbehere has agreed to remain on the Board until a replacement is appointed to the Arizona Finance Authority by the Governor. Gary Naquin thanked Mr. Godbehere for his service.

6. **Adjournment**

Board member **Mike Godbehere** adjournment of the AZIDA Board Meeting at 4:42 p.m.
Board member **Jim Keeley** seconded.

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

A handwritten signature in black ink, appearing to be 'G. O.', written over a horizontal line.

President

July 21, 2022

Date of Board Action