

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 Ballroom A/B

Date and Time: Thursday, January 19, 2023
3:00 p.m.

Board Members Present (Appearing in Person):
Ken Burns

Board Members Present (Appearing Telephonically):
Paulina Vazquez Morris
Lea Márquez Peterson

Board Members Absent:
Gary Naquin
Brad Vynalek

Executive Director Present (In Person):
Dirk Swift

Meeting Facilitator:
Kelly McGuire – Kutak Rock LLP

Presenters:
Mr. Brad Fisher, Impact Residential Development
Mr. Brian Swanton, Gorman & Company
Mr. Ernie Miller, Bluescape Clean Fuels
Mr. Dirk Swift, AZIDA Executive Director

Actions:

1. **Call to Order:**

The meeting was called to order by Ken Burns, Member of the Board of the Arizona Industrial Development Authority (AZIDA), at 3:00 p.m. Participating in person was Ken Burns. Participating via telephone were Lea Márquez Peterson and Paulina Vazquez Morris. Gary Naquin and Brad Vynalek were absent. A quorum was declared present.

2. **Adoption of Minutes of the December 15, 2022 AZIDA Board Meetings**

Board member **Paulina Vazquez Morris** moved to adopt the minutes of the December 15, 2022 AZIDA Board Meeting. Board member **Lea Márquez Peterson** seconded the motion.

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

3. **Agenda Items Considered:**

Presentation, Discussion & Adoption

Approval of Resolution No. 2023-1 – Authorizing an increase of 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 Tucson, Arizona, for the benefit of Impact Development Partners, LLC, on behalf of 3200 W Valencia Propco, LP, to \$40,000,000, and granting an extension of preliminary approval.

Brad Fisher, Impact Residential Development, gave a summary of the requested increase and extension and offered to entertain questions from the Board.

Board member **Lea Márquez Peterson** then motioned to approve Resolution No. 2023-1, as presented. Board member **Paulina Vazquez Morris** seconded the motion.

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

Presentation, Discussion & Adoption

Approval of Resolution No. 2023-2 – Granting 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.

and

Presentation, Discussion & Adoption

Approval of Resolution No. 2023-3 – Granting 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.

Agenda items 3 and 4 (considering Resolutions 2023-2 and 2023-3) were considered together since the developments are “sister” projects.

Brian Swanton, Gorman & Company, gave a summary of the projects, mentioned that the project would include federal low-income housing tax credits, would be the first financing to close using the newly approved state low-income housing tax credits, described the various layers of subordinate debt that are part of the financing, stated that there would be Section 8 vouchers, as well as mental health-related vouchers from AHCCCS. Mr. Swanton also discussed the employment to be created by the projects. He then offered to entertain questions from the Board.

Board Member Ken Burns thanked Mr. Swanton for his work in putting together this project.

Board member **Lea Márquez Peterson** then motioned to approve Resolution Nos. 2023-2 and 2023-3, as presented. Board member **Paulina Vazquez-Morris** seconded the motion.

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

Presentation, Discussion & Adoption

Approval of Resolution No. 2023-4 – Granting preliminary approval of not-to-exceed \$250,000,000 of revenue bonds to be issued from time to time in one or more tax-exempt and/or taxable series to finance biofuel production and transmission facilities to be located in Maricopa County, Gila County and/or Pinal County, Arizona, for the benefit of Maricopa Renewable Fuels I, LLC and its affiliates.

Ernie Miller, Bluescape Clean Fuels, gave a summary of the projects and offered to entertain questions from the Board.

Board Member Ken Burns asked whether any jobs would be created from this project. Mr. Miller stated that the project will create 25 full-time, high-paying technical and plant operations jobs at the facilities as well as other waste retrieval positions off-site.

Board Member Lea Márquez Peterson asked for additional details on the identity of the consumers of the renewable gasoline produced at the facilities. Mr. Miller explained that the consumers of the product would mostly be gasoline refiners and blenders who are required to blend a certain volume of renewable fuel into their production and imports. Ms. Peterson then asked if this is proven technology being used elsewhere. Mr. Miller responded that the company has been around since 2007, operating a similar facility in New Jersey. Their commercially viable process is mature enough to allow them to obtain performance guarantees on their contracts, progress insurance from insurance providers, and their debt is bank financeable.

Board member **Paulina Vazquez Morris** motioned to approve Resolution No. 2023-4 as presented. Board member **Lea Márquez Peterson** seconded the motion.

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

4. **Executive Director Update**

Dirk Swift, AZIDA Executive Director, gave a brief update on the report done by a third-party consultant to assist in implementing recommendations from the Auditor General's sunset review and performance audit, including a discussion and possible Board Action on recommendations contained in that third-party consultant report.

Board Member Burns thanked Mr. Swift for his work throughout the audit process.

5. **Presentation and Discussion & Possible Action**

Approval of Resolution No. 2023-5 – Establishing the position of chief financial officer of the Authority and authorizing the hiring of an individual for such position.

The discussion of agenda item #6 led to action on agenda item #7. Board member **Paulina Vazquez Morris** motioned to approve Resolution No. 2023-5, as presented. Board member **Lea Márquez Peterson** seconded the motion.

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

6. **Call to the Public**

Kelly McGuire announced a call to the public for comments.

No comments were made.

7. **Announcements**

Ken Burns announced that the next meeting of the Arizona Industrial Development Authority would be held on Thursday, February 16, 2023, at 3:00 p.m., and said to please consult the Arizona IDA website for any changes and/or meeting details.

8. **Adjournment**

Board member **Lea Marquez Peterson** motioned for adjournment of the AZIDA Board Meeting at 3:31 p.m. Board member **Paulina Vazquez Morris** seconded.

The Board Members were individually polled – Ken Burns (yes), Lea Márquez Peterson (yes), Paulina Vazquez Morris (yes), and by a vote of 3-0 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.



Dirk Swift, Executive Director

February 16, 2023
Date of Board Action
