

INDUSTRIAL DEVELOPMENT AUTHORITY OF THE CITY OF SIERRA VISTA

DRAFT Minutes – Board Meeting

September 8, 2020

5:30pm

CALL TO ORDER

Demetry Simonton, President, called the meeting of the Industrial Development Authority of the City of Sierra Vista to order at 5:37pm on September 8, 2020, via Google Meet and phone.

ROLL CALL

The following were present: Demetry Simonton-President, Wafaa Smith-Secretary, Brandy Kea-Robinson-Board Member, Johanna Scott-Board Member, Larry Goodhue-Board Member, Frank Moro-First West Properties Consultant, Stacey Loucks-First West Properties Corporation, Rachel Gray-Mayor Pro-Tem, Carolyn Umphry-City Council Member. A quorum of the current Board Members was established.

APPROVAL OF AGENDA

Johanna Scott motioned to approve the September 8, 2020 agenda, Larry Goodhue seconded, the motion carried.

APPROVAL OF MINUTES

Johanna Scott motioned to approve the minutes from the March 3, 2020 meeting as written, Larry Goodhue seconded, the motioned carried.

NEW BUSINESS

Larry Goodhue motioned to transfer \$6,500 from IDA to SHRP to assist in paying their expensed through the rest of 2020, Brandy Kea seconded, the motion carried.

Larry Goodhue motioned to accept the proposal and pay the premium for the Directors & Officers 2020-2021 insurance bill to Allrisks, Johanna Scott seconded, the motion carried.

Frank Moro explained the housing revenue bonds from Mountain Steppes Apartments and the annual payment IDA receives. Along with that, there is an annual invoice from the bond attorney for his administrative services which reflects all the work involved in these bonds from the beginning to present. The Board asked for an updated detailed statement from the attorney, which First West Properties will request.

Demetry Simonton shared information about the Expect More Arizona Partnership and their efforts to raise Arizona educational standards, and inquired if the Board would be interested in joining the Partnership, and confirmed there is no monetary involvement. Johanna Scott motioned for the IDA to join the Expect More Arizona Partnership, Larry Goodhue seconded, the motion carried.

Demetry Simonton explained the Startup Grow Cochise Partnership and the idea of the start-up eco-systems for assisting in building small businesses. The Board discussed the possibilities and agreed this would be a good organization for the IDA to get involved in. Larry Goodhue motioned for the IDA to join the Startup Grow Cochise Partnership, Johanna Scott seconded, the motion carried.

In conjunction with the Startup Grow Cochise Partnership, Demetry Simonton spoke about the Startup Arizona Weekend Partnership which is a weekend gathering held in October to share ideas to support the growth and development of small business. Larry Goodhue motioned for the IDA to get involved with the Startup Arizona Weekend Partnership, Johanna Scott seconded, the motion carried.

Rachel Gray notified the Board that with the Covid shutdowns, she has not had the time to develop the Board training schedule, but will have it prepared in the coming weeks. This item was tabled for the next meeting.

The remodel unit at Sierra Linda Apartments is almost complete, and Demetry Simonton requested photos and a virtual tour for the website. The remodeled apartment has been pre-leased, and Frank Moro explained there is a tight timeline between completion and move-in, therefore will need to happen quickly, and with little notice. Brandy Kea motioned that the Board pre-approve no more than \$250 to get the virtual tour and photos done, Larry Goodhue seconded, the motion carried.

Demetry Simonton stressed the importance of the IDA strategic planning and input from the entire Board. Rachel Kea shared that there is a legacy grant available for strategic planning and training, and Demetry has reviewed many courses on line that are available free of charge. Demetry will take one of the courses and will further this discussion at the next meeting.

Demetry Simonton suggested that the regular IDA meetings occur on the first Tuesday of every month at 5:30, and that they continue virtually, via Google Meet (or similar) and/or phone from here on out. Larry Goodhue motioned to approve the virtual meetings and schedule, Johanna Scott seconded, the motion carried. (First West Properties will verify the attorney)

Demetry Simonton would like to utilize the local college interns for information and workflow to assist the IDA, with no monetary requirement. Resumes would be required, interviews performed, and the Board can select the best candidate(s). Larry Goodhue motioned to move forward with calls for interns, Brandy Kea seconded, the motion carried.

Demetry Simonton attended a presentation on the Stackhouse affordable living concept. This is a type of manufactured housing that began using sea containers. They are doing a model project in Tucson, which has been very successful, and are looking to locate a prime manufacturing location to continue this concept nationwide to create affordable housing communities. Rachel Gray will share a slide presentation that was presented to the City of Sierra Vista on this same concept.

The SBDC Accelerator Partnership is an accelerator/incubator for new business development that is being headed up by a local businessman. Frank Moro approximates there is 700,000 square feet of available commercial space for such an incubator/start-up plan. The Board will further the discussion at a later meeting.

Demetry Simonton updated the Board on the new website. He says it's been live for almost a year and a half, but it is not fully developed. Byron Myers (original website designer) will need to take down the old website. The new website will have a portal for the Board members to access to the google drive for notices, information, minutes, financial reports, budgets, etc. This website will have various links for local businesses and the public to access information about the area, the IDA, development, grants, funding, start-ups, etc.

Demetry Simonton floated the idea to the Board to create a Facebook page and/or group to highlight the IDA, and what it does, local business profiles, resources, helpful links and information. All Board members would manage and maintain the page, determine the content, and share information. This potentially could be a task for an intern. Further discussion will be needed.

OLD BUSINESS

Frank Moro shared an update on the pending purchase of the Sierra Linda Apartments, and explained that the potential buyers are still interested and escrow is still open, but Frank will no longer partner with them, as they requested. With the one remodel nearing completion, we have a firmer remodel cost of \$15,000 to \$17,000 per unit. This remodeled unit has been pre-leased for \$700 per month, the landmark rent is \$650 per month, but most of them are currently renting for an average of \$550 per month. Frank explained how the funding for the remodel is working, and how repayment will occur from the property as cash flow is available. Frank suggested that from the time that the original sale agreement was drawn up, the property has already increased in value. Brandy Kea inquired if the sale was solidified, and Frank explained that the purchasers came back to the IDA with a counter-offer, which was not accepted, and it is entirely up to the IDA to determine

if they want to proceed with the sale, put the property on the market at the increased value, or keep the property and continue renovations with steady and increasing rental income. There is no rush to make a decision at this time, so Frank suggested the IDA take their time to determine the best way forward.

CALL TO THE PUBLIC

No public members participated.

NEXT MEETING

The next meeting will be held on Tuesday, October 6th at 5:30pm, via Google Meet and/or phone.

ADJOURNMENT

Demetry Simonton adjourned the meeting at 7:10pm.

APPROVED:

By: _____ Date