

1. Industrial Development Authority - Agenda

Documents:

[2017_11_01_IDA_AN_AG.PDF](#)

2. Industrial Development Authority - Packet

Documents:

[2017_11_01_IDA_AN_PK.PDF](#)

Town of Chino Valley
MEETING NOTICE
INDUSTRIAL DEVELOPMENT AUTHORITY

ANNUAL MEETING
WEDNESDAY, NOVEMBER 1, 2017
9:30 A.M.

Council Conference Room
202 N. State Route 89
Chino Valley, Arizona

AGENDA

1. Call to Order.
2. Roll Call.
3. Review of Industrial Development Authorities (“IDA”), and this IDA's Articles of Incorporation, By-Laws, latest bank statement, and activity history.
4. Approve the April 29, 2013 annual meeting minutes.
5. Select officers for the position of President, Vice-President, Treasurer, Secretary, Assistant Secretary and/or Assistant Treasurer.
6. Review Annual Report submitted in May, 2017.
7. Recommend that the Chino Valley Town Council ratify the law firm of Gust Rosenfeld to serve as the Authority’s general legal counsel and statutory agent.
8. Review and possible approval of a Resolution authorizing the Authority’s bank account with Foothills Bank/Glacier Bank to be closed, a new bank account with National Bank to be opened, and designating the authorized account signers with National Bank.
9. Adjourn.

Dated this 26th day of October, 2017.

Submitted by: *Jami C. Lewis, Town Clerk*

The Town of Chino Valley endeavors to make all public meetings accessible to persons with disabilities. Please call 636-2646 (voice) or 7-1-1 (TDD) 48 hours prior to the meeting to request a reasonable accommodation to participate in this meeting. Supporting documentation and staff reports furnished to the Council with this agenda are available for review on the Town website at <http://www.chinoaz.net/AgendaCenter> and Town Clerk’s Office.

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AGENDA ITEM 3
EXHIBITS

Brief Description of Municipal Property Corporations and
Industrial Development Authorities

IDA Articles of Incorporation and Bylaws

October 1, 2017 Bank Statement

Activities Taken with regard to the IDA – Minutes Excerpts (Activity History)

BRIEF DESCRIPTION OF MUNICIPAL PROPERTY CORPORATIONS AND INDUSTRIAL DEVELOPMENT AUTHORITIES

Both Municipal Property Corporations (“MPC”) and Industrial Development Authority (“IDA”) entities are funding mechanisms for issuing bonds. MPC’s were created (but are no longer considered necessary) because municipalities were reluctant and unsure about holding debt in the purchase of large improvements such as sewer plants and water infrastructure. The MPC was formed as a non-municipality to purchase the property and lease it to the Town. Excise taxes and fees (such as sewer fees) were committed to pay off the debt. MPCs also were able to issue tax-free municipal bonds and to obtain loans from WIFA (Water Infrastructure Finance Authority) and other state and federal agencies to raise cash for the projects.

IDAs are also a funding mechanism but they do not own anything. They act as a middle-man between a borrower (usually a hospital, developer of affordable multifamily housing, charter school, etc.) and the investor in order to enable the borrower to issue tax-free bonds. For the Town, its purpose is to further economic development by helping to fund certain public benefit types of development through the issuance of tax-free bonds.

**ARTICLES OF INCORPORATION
OF
THE INDUSTRIAL DEVELOPMENT
AUTHORITY OF THE TOWN OF
CHINO VALLEY, ARIZONA**

The undersigned, Dr. Ronald L. Minnich, Dorothy E. Schmidt, and Travis R. Bard, having agreed to organize and incorporate an industrial development corporation for the Town of Chino Valley (the "Town") pursuant to Title 35, Chapter 5, Arizona Revised Statutes, as amended, (the "Act"), and as an Arizona nonprofit corporation and being all of the incorporators of the corporation hereby organized and incorporated, do hereby adopt these Articles of Incorporation.

ARTICLE I

The name of the corporation shall be the "The Industrial Development Authority of the Town of Chino Valley, Arizona" (hereinafter the "Corporation").

ARTICLE II

Each of the incorporators is a qualified elector of the Town. The names of the incorporators of the Corporation and their respective residences and addresses are as follows:

<u>Name</u>	<u>Residence and Address</u>
Ronald L. Minnich	830 W. Damion Loop Chino Valley, AZ 86323
Dorothy E. Schmidt	4376 Wendigo Trail Chino Valley, AZ 86323
Travis R. Bard	246 N. Highway 89 Chino Valley, AZ 86323

ARTICLE III

The principal office of the Corporation shall be located at the Chino Valley Town Hall, 1020 West Palomino Road, Chino Valley, Arizona 86323, but other offices and places for conducting business may be established from time to time within the State of Arizona by the Board of Directors.

ARTICLE IV

At a meeting on June 25, 2007, the Council of the Town, as the governing body of the Town, approved the application of the incorporators for permission to incorporate the

Corporation and authorized the incorporators to proceed with the incorporation of the Corporation.

ARTICLE V

A. Pursuant to the Act, the Corporation initially intends to conduct business as an industrial development corporation and to conduct all business and to exercise all rights, powers and privileges provided to the Corporation by the provisions of Title 35, Chapter 5, Arizona Revised Statutes, as amended and otherwise provided by law.

B. The Corporation shall have all of the rights and powers granted to the Corporation from time to time by these Articles of Incorporation, by the provisions of Title 35, Chapter 5, Arizona Revised Statutes, as amended, or by the provisions of any other applicable law.

ARTICLE VI

The Corporation is designated pursuant to the Act as a political subdivision of the State of Arizona. The corporation shall be a nonprofit corporation. No part of the Corporation's net earnings remaining after payment of its debts and expenses shall inure to the benefit of any individual, firm or corporation.

ARTICLE VII

The Corporation shall have a Board of Directors in which the powers of the Corporation shall be vested. The Board of Directors shall consist of not less than three nor more than nine directors who shall hold office for overlapping terms as herein specified. All Directors shall be elected by the Council of the Town, all Directors shall be qualified electors of the Town and no Director shall be an officer or employee of the Town. Decisions of the Board of Directors shall be by a majority vote. The Directors shall serve without compensation except that they may be reimbursed for their actual expenses incurred in the performance of their duties.

The Council of the Town, at a meeting held on June 25, 2007, elected the following three persons to serve as the initial Directors of the Corporation and divided them into three groups as to their respective terms of office, as follows:

<u>Name</u>	<u>Residence and Addresses</u>	<u>Term</u>
Ronald L. Minnich	830 N. Damion Loop Chino Valley, AZ 86323	Two years
Dorothy E. Schmidt	4376 Wendigo Trail Chino Valley, AZ 86323	Four years
Travis R. Bard	246 N. Highway 89 Chino Valley, AZ 86323	Six years

The terms of office of all Directors who succeed the initial directors shall be six years. The terms of office of the initial Directors and of the Directors who succeed them shall expire on July 1 of the year in which the term of each shall expire or on such other date in such year as may be specified by the Council of the Town. The Council of the Town shall elect successors and fill vacancies in the Board of Directors and shall be entitled to remove Directors, with or without cause.

The affairs of the Corporation shall be conducted by the Board of Directors and the Officers. The Offices of the Corporation shall be those provided for in the Bylaws of the Corporation and the manner of the election of Officers, the terms of office and the duties of office shall be set forth in the Bylaws.

The Board of Directors shall adopt Bylaws for the Corporation, and such Bylaws may be amended, supplemented, repealed or suspended, or new Bylaws may be adopted, as provided for therein.

ARTICLE VIII

In accordance with applicable law, the Corporation hereby appoints William F. Wilder, One North Central Avenue, Suite 1200, Phoenix, Arizona 85004, a resident of the State of Arizona, as its statutory agent.

ARTICLE IX

The Corporation shall indemnify each of its Directors and Officers to the fullest extent permissible under each of the following: A.R.S. Sections 10-3850 through 10-3858 and any successor or amended statute; the Corporation's Bylaws; and any agreement adopted pursuant to A.R.S. Section 10-3858. Indemnification of Directors and Officers shall be mandatory in all circumstances in which indemnification is permitted by law.

ARTICLE X

The Corporation shall have neither members nor stockholders.

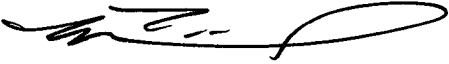
ARTICLE XI

The private property of the incorporators, Directors, Officers and employees of the Corporation shall be exempt from any and all debts, charges and expenses of the Corporation.

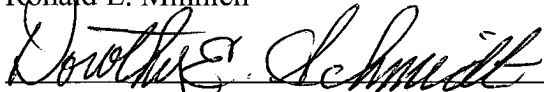
ARTICLE XII

The duration of the Corporation's existence shall be perpetual.

IN WITNESS WHEREOF, the undersigned have executed these Articles of Incorporation this 22nd day of June, 2007.



Ronald L. Minnich



Dorothy E. Schmidt



Travis R. Bard

**BYLAWS
OF
THE INDUSTRIAL DEVELOPMENT AUTHORITY OF
THE TOWN OF CHINO VALLEY, ARIZONA
(Adopted Effective July 12, 2007)**

Section 1. Identification

1.1 Name. The name of the corporation is THE INDUSTRIAL DEVELOPMENT AUTHORITY OF THE TOWN OF CHINO VALLEY, ARIZONA, an Arizona nonprofit corporation, incorporated under and pursuant to the provisions of Title 35, Chapter 5, Industrial Development Financing, Arizona Revised Statutes, as amended, and designated by law as a political subdivision of the State of Arizona.

1.2 Principal Office. The principal office of the corporation shall be at the Chino Valley Town Hall, 1020 West Palomino Road, Chino Valley, Arizona 86323, and additional offices may be maintained at such other places within or without the State of Arizona as the Board of Directors may from time to time designate.

1.3 Fiscal Year. The fiscal year of the corporation shall be the year ending June 30 of each calendar year.

1.4 Seal. The corporation shall not have a seal.

Section 2. Membership

2.1 No Membership. The corporation shall not have members.

Section 3. Board of Directors

3.1 Number. The business and affairs of the corporation shall be managed and controlled by a Board of Directors of not less than three or more than nine directors who shall have the qualifications and who shall be elected by the Council of the Town of Chino Valley, Arizona, for such terms as specified by such Town Council.

3.2 Removal. Directors may only be removed by the Town Council of the Town of Chino Valley, Arizona.

3.3 Annual Meeting. The annual meeting of the board of directions shall be held on the second Tuesday in October of each year or on such other date as determined by the Board of Directors.

3.4 Other Meetings. The directors shall meet at such times as the Board establishes or when called to meet by any director of the corporation.

3.5 Notice of Meetings. Notice of any meeting of the Board of Directors, stating the time and in general terms the purpose or purposes thereof, shall be given to each of the directors and to the public in the manner prescribed for public bodies of the state of Arizona.

3.6 Place of Meeting. The directors shall hold their meetings, shall be at such place or places within or without the State of Arizona as the Board of Directors from time to time may determine. Meetings of the Board of Directors, may be held by means of telephone conference or similar equipment by means of which all persons participating in the meeting can hear each other, and participation in such a meeting shall constitute presence in person at such meeting, provided such meeting is held and conducted in compliance with the open meeting laws of the State of Arizona.

3.7 Quorum. A majority of the Board of Directors shall constitute a quorum for the transaction of business. The act of the majority of the directors present at a meeting at which a quorum is present shall be the act of the Board of Directors unless the act of a greater number is required by statute, the Articles of Incorporation or these Bylaws.

3.8 Chairman. At all meetings of the Board of Directors the President, or in his absence a chairman chosen by the directors present, shall preside.

3.9 Committees. From time to time the Board may appoint committees for any purpose, who shall have such power as shall be specified in the resolution of appointment.

3.10 Compensation. Directors shall serve without compensation, but shall be entitled to payment or reimbursement for expenses incurred in performing their duties as directors.

3.11 Vacancies. In case of any vacancy among the directors through death, resignation, disqualification, removal from office or other cause, the vacancy shall be filled by the Town Council of the Town of Chino Valley.

Section 4. Officers

4.1 Executive. The executive officers of the corporation shall be a President, Vice President, Treasurer and Secretary and any other officers as may from time to time be appointed, each of whom shall hold his office during the pleasure of the Board of Directors. The same person may hold one or more offices.

4.2 Tenure of Office. All officers shall be subject to removal at any time, with or without cause, by the affirmative vote of a majority of the Board of Directors.

4.3 President. The President shall preside at all meetings of the shareholders and of the directors. The President shall be the chief officer, shall have general charge of the business and affairs of the corporation. He or she may sign and execute all authorized contracts, checks, and other instruments or obligations in the name of the corporation. The President shall do and perform such other duties and have such other powers as from time to time may be assigned to him by the Board of Directors.

4.4 Vice President. The Vice President may, in the event of the President's absence or inability to act, have all of the powers of the President. The Vice President may sign and execute all contracts, checks and other instruments or obligations in the name of the

corporation, as authorized by the Board of Directors. He or she shall perform such other duties as the Board of Directors shall delegate to him or her.

4.5 Secretary. The Secretary shall keep the minutes of all proceedings of the Board of Directors. He or she shall attend to the giving and serving of all notices for the corporation when directed by the President. He or she may sign in the name of the corporation, all contracts, checks and other instruments, or obligations in the name of the corporation as authorized by the Board of Directors. He or she shall, in general, perform all the duties incident to the office of the Secretary, subject to the control of the Board.

4.6 Treasurer. The Treasurer shall have the custody of all the funds and securities of the corporation which may come into his or her hands. He or she may endorse on behalf of the corporation for collection, checks, notes and other obligations, and shall deposit the same to the credit of the corporation in such bank or banks or depositories as the Board of Directors may designate. He or she may sign receipts and vouchers for payments made to the corporation. He or she shall enter regularly in books of the corporation, to be kept by him or her for that purpose, full and accurate accounts of all monies received and paid by him or her on account of the corporation. He or she shall perform all duties incident to the position of Treasurer subject to the control of the Board. He or she may sign and execute all contracts, checks and other instruments or obligations as authorized by the Board of Directors. The powers and duties of the Treasurer may be exercised and performed by any of the other officers, as the Board may direct.

4.7 Miscellaneous. Assistant Secretaries and Assistant Treasurers may be selected by the Board of Directors at any meeting. They shall perform any and all duties of the Secretary and of the Treasurer in the absence or incapacity of either, and such other duties as the Board of Directors may require.

Section 5. Amendment and Repeal

These Bylaws may be amended or repealed or new Bylaws may be adopted by the Board of Directors in such instance as the Board may determine to be advisable.



Secretary



Foothills Bank

Consider it done.

6024 E 32nd Street Yuma, AZ 85365
1-800-288-8244 • www.foothillsbank.com

Return Service Requested

00000213-0000425-0001-0001-TIMR8007041001176895

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Account No. *****0111
Date 10/01/17

THE INDUSTRIAL DEVELOPMENT
AUTHORITY OF THE TOWN OF
CHINO VALLEY ARIZONA
202 N STATE ROUTE 89
CHINO VALLEY AZ 86323-5981

RECEIVED
OCT 12 2017

By _____

BUSINESS EQUITY MONEY MKT

Acct 0111

Summary of Activity Since Your Last Statement

Beginning Balance	9/01/17	3,474.63
Deposits / Misc Credits	1	.03
Withdrawals / Misc Debits	1	5.00
** Ending Balance	9/30/17	3,469.66**
Service Charge		5.00
Interest Paid Thru 9/30/17		.03
Interest Paid Year To Date		.27
Average Rate / Cycle Days		.01000 / 30

Deposits and Other Credits

Date	Amount	Activity Description
9/29	.03	Interest Paid

Debits and Other Withdrawals

Date	Amount	Activity Description
9/29	5.00	SC Dormant Account Fee

Daily Balance Summary

Date	Balance	Date	Balance	Date	Balance
9/29	3,469.66				



ACTIVITIES TAKEN WITH REGARD TO THE IDA – MINUTES EXCERPTS
(This log does *not* include membership changes)

6/21/07 Council	<p>2) Discussion of potential creation of an industrial development authority for the Town of Chino Valley.</p> <p>Town Manager Bill Pupo told Council that staff was proposing the formation of an industrial development authority (IDA) to act as the LLC that would issue bonds for the Chino Grande Project. Staff was also recommending that Council appoint Dr. Ron Minnich, Dorothy Schmidt, and Travis Bard to the proposed IDA board of directors.</p> <p>Water Attorney Bill Staudenmaier explained that Bill Wilder, a partner in his firm, would be the Town's legal counsel for the IDA, due to his many years experience with bonds and IDAs,.</p> <p>Mr. Wilder provided a general outline of the role and activities of an IDA. Key points included:</p> <ul style="list-style-type: none">• IDAs were used to fund developments in the private sector that had public purposes.• Under federal tax laws, IDAs were exempt from income taxes and were used for tax exempt funding, and as an IDA could issue bonds for projects qualified under Arizona law, interest was also tax exempt.• IDAs incorporated as non-profit entities and were considered political subdivisions of the state. They could have three to nine directors, who could not be elected officials, and would meet at will. As a public body, their documents were public records, and they were subject to the requirements of the open meeting and conflict of interest laws.• The Town Council's role was to authorize formation of the IDA, approve the incorporation application and by-laws, and approve any bonding action taken by the IDA.• IDAs had no taxing power, they bonds they issued could have a life of 24 to 40 years, and the Town would have no responsibility for payment of the bonds. <p>Dr. Ron Minnich asked about differences between IDAs and Municipal Property Corporations (MPC), and if there was a conflict for one person to serve on both an IDA and an MPC. Mr. Wilder explained that there were many things MPCs could do that IDAs could not, they rarely interfered with each other; MPC bonds needed to be reported, while IDA bonds did not; and IDAs had a more flexibility in financing than MPCs. He also stated that there was no conflict for a person to serve on both boards.</p> <p>Mr. Wilder gave several examples of projects funded by IDAs in other communities:</p> <ul style="list-style-type: none">• manufacturing project for concrete pavers in Casa Grande;• private company who took over a sewer system that had been owned and operated by a mine which had closed;• two prison complexes in Florence;• solid waste operations for a large scale dairy that was relocated from Maricopa to Pinal County;• affordable workforce housing and senior living facilities; and• solid waste landfill operation in Yavapai County. <p>David Green, member of and general counsel for Chino Grande LLC, recounted that when Chino Grande negotiated the water agreement with the Town, the Town asked them to pay for</p>
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	<p>the pipeline. Chino Grande desired to find the most cost-effective method to finance it, and the IDA appeared to be the only process that would meet their criteria. Using an IDA, Chino Grande would pay for the pipeline with revenues generated by the pipeline and the Town would incur no financial liability. In addition, the IDA could be used for other transactions beyond the Chino Grande project.</p> <p>Dr. Minnich asked who would own the pipeline if it were built and then Chino Grande became bankrupt. Mr. Green stated that the Town had agreed to take over the pipeline once it was built. Mr. Staudenmaier and Mr. Pupo stated that there was a performance schedule in the agreement; there was no recourse to the Town if the pipeline was not built; and bond purchasers could not sue the Town.</p> <p>Mayor Fann asked about the timeline to form an IDA. Mr. Pupo stated that Council could meet on June 25 to approve the IDA application and appoint the directors. Mr. Wilder added that the IDA board could then meet after they had signed the incorporation documents and the corporation commission approved them. At their first meeting, they would adopt by-laws, procedures, and an open meeting law statement. Once Chino Grande produced a financing plan, the IDA could approve bond issuance.</p> <p>Councilmember Purdin asked if an appointed official could serve on the IDA board and if the board would be perpetual. Mr. Wilder stated that an appointed official could serve, and a person could serve as long as Council desired. The directors' terms would start with one term each of two-years, four-years, and six-years.</p>
<p>6/25/07 Council</p>	<p>2) Action to adopt Resolution No. 07-848, to approve an application to incorporate an Industrial Development Authority for the Town of Chino Valley, and authorizing such incorporation and electing directors.</p> <p>At a Special Meeting on June 21, 2007, William Wilder with Ryley Carlock & Applewhite presented information on the role of industrial development authorities in the state, and the role that industrial development revenue bond financing could play in providing financing assistance for eligible projects, such as the Chino Grande water transportation system. Adoption of the subject resolution would begin the process for establishing an industrial development authority for the Town.</p> <p>Vice-Mayor Baker MOVED, seconded by Councilmember Purdin, to adopt Resolution No. 07-848 to approve the application to incorporate an Industrial Development Authority for the Town of Chino Valley, and authorizing such incorporation and electing directors. The motion PASSED unanimously 7-0.</p> <p>3) Elect the initial Board of Directors for the Industrial Development Authority, with six-year terms, initially staggered to end in two, four, and six years.</p> <p>Council asked for more information about the directors. Mr. Pupo explained that the positions could be held by non-elected and non-staff persons, and it was a non-paid position. Should a board member resign, the Town would advertise for the position, the Council Appointment Committee would review the applications and make a recommendation to the Council, and then Council would appoint a candidate to fill the length of the vacated term. While he did not foresee increasing the board to nine members, he could see the Town increasing it to five to avoid quorum difficulties. At this time, the industrial development authority would only need to meet once or twice a year. Mrs. Lewis would work with Mr. Wilder on subsequent</p>

	<p>details.</p> <p>Vice-Mayor Baker MOVED, seconded by Councilmember Reid, to elect Dr. Ron Minnich, Dorothy Schmidt, and Travis Bard to the Industrial Development Authority Board of Directors with initial terms ending on July 1, 2009, July 1, 2011, and July 1, 2013, respectively. The motion PASSED unanimously 7-0.</p>
7/12/07 IDA	<p>Inaugural meeting:</p> <ul style="list-style-type: none"> • Elected officers • Adopted bylaws • Designated legal counsel • Adopted form of Open Meeting Law Statement • Designated Directors as authorized Authority representatives for purpose of executing documents and related actions, and holding public hearings. • Authorized maintaining bank account(s) and naming authorized signers • Adopted form for Procedural Pamphlet for bond financings • Adopted resolution granting preliminary approval to Chino Grande, LCC, to issue not-to-exceed \$60,000,000 of the Authority's revenue bonds to assist in financing the Project
4/29/13 IDA	<p>Annual meeting:</p> <ul style="list-style-type: none"> • General Actions: Approved minutes, discussed Director terms, selected officers, reviewed annual report, • Amended Open Meeting Law statement due to new address • Authorized letter to bank changing Authority's address; designated new account signers • Authorized new legal counsel
5/14/13 Council	<p>e) Consideration and possible action to accept the Industrial Development Authority's recommendation to designate the law firm of Curtis, Goodwin</p> <p>MOVED by Vice-Mayor Carl Tenney, seconded by Councilmember Linda Hatch to approve Consent Agenda items a, b, c, d, e, f and h.</p> <p>Vote: 6 - 0 PASSED - Unanimously</p>
9/18/14 Council	<p>4) Ms. Mayday, Council, and staff reviewed the final draft of the Strategic Plan, as follows:</p> <p>Discussed the Industrial Development Authority's role for the proposed OHM industrial park.</p>
1/12/16 Council	<p>7c) Status report and discussion regarding the disposition of land in Old Home Manor Industrial Park. (Ruth Mayday, Development Services Director)</p> <p>Ms. Mayday reported that:</p> <ul style="list-style-type: none"> • The Town had secured funds for extending infrastructure to the eastern portion of Old Home Manor (OHM) for the Industrial Park (OHMIP). State law vested the authority to manage and transfer real estate with the Council. To properly draft legal documents related to the use of land within the OHMIP, Council must determine what form of ownership provided the greatest benefit to the community. • There were both benefits and costs associated with the Town retaining

ownership of the land and leasing it to private parties, as well as the Town selling the real estate to the same. Resolving these issues was critical in determining the form and content of the associated legal documents, as well as marketing of the property.

- There were a number of issues that will affect the Council's decision as to how staff proceeded with the planning and development of the OHMIP, including: federal funding restrictions and requirements for future users (beneficiaries) of the improvements; tax advantages for municipally-owned property that were not available for privately-owned property; and sale of the real estate providing periodic infusions of cash to the Town and increased property tax revenue to the County.

Council asked for more detail on the following:

- *Federal requirements:* Water and Sewer was encumbered on the entirety of the Industrial Park property of about 200 acres. The property would also be subject to property management standards for 20 years.
- *Property taxes:* Due to confusion regarding the government property lease excise tax, the Town will need a cost benefit analysis regarding sale versus lease.
- *Inquires or interest from private sector:* Staff had been contacted about both lease and sale options. The Town Attorney will develop CC&Rs and lease/purchase agreements first. Staff was currently arranging engineering for utilities and Road 4 North.
- *Incentive programs:* Staff will bring a full array of choices to Council to consider.

Town Manager Smith spoke about other things that needed to be reviewed, such as using the Town's **Industrial Development Authority** for funding, and water laws. The Town will need some outside expertise and will provide suggestions to Council in four to five weeks.

AGENDA ITEM 4
EXHIBITS

April 29, 2013 Annual Meeting Minutes

**MINUTES OF THE ANNUAL MEETING
OF THE INDUSTRIAL DEVELOPMENT AUTHORITY
OF THE TOWN OF CHINO VALLEY**

**APRIL 29, 2013
4:00 P.M.**

The Industrial Development Authority of the Town of Chino Valley, Arizona, convened for an Annual Meeting in the Chino Valley Council Conference Room, located at 202 N. State Route 89, Chino Valley, Arizona.

Dr. Minnich called the meeting to order at 4:00 p.m.

Members Present: Dr. Ron Minnich (President), Travis Bard (Secretary-Treasurer), Michael Markgraf, Cheryl Romley

Members Absent: Ed Steinback (Vice-President)

Staff Present: Legal Counsel Bill Wilder (telephonically), Town Clerk Jami Lewis (Recorder)

3. Comments by legal counsel regarding Industrial Development Authorities.

Mr. Wilder presented a brief overview on Industrial Development Authorities in general, as well as the history of the Town's Authority:

- In 1970, the Arizona legislature created the Industrial Development Financing Act, which provided for forming Industrial Development Authorities as non-profit entities with the power to issue revenue bonds to finance certain types of projects. Said bonds were usually tax-exempt.
- The Authority was an economic development tool that served as a conduit for financing projects such as charter schools, senior living facilities, and certain health care facilities.
- Chino Valley's Authority was formed in 2007 to explore tax-exempt bond financing of a water transportation pipeline; however, the economic downturn which happened shortly thereafter kept the project from going forward.
- Before 2007, authorities around the state were fairly active, but since then, there was very little Authority activity.
- Authority board members had some liability, but as bonding had to be vetted by bond counsel and other financing entities, and the board members were not guarantors of the debt, their risk exposure was low.

Mr. Wilder added that regarding item 11 on this agenda, it made sense to have all the Town's legal matters under one firm, and he had no objections to the item. Mr. Wilder left the meeting at 5:25 p.m.

4. Approve July 12, 2007 special meeting minutes.

Mr. Bard MOVED; Ms. Romley seconded to approve July 12, 2007 special meeting minutes. Motion PASSED 4-0.

5. Discuss term endings and applications for re-appointment.

Ms. Lewis reviewed the process for applying for re-appointment. Mr. Bard indicated that he intended to apply for re-appointment, and Ms. Romley stated that she did not.

6. Select officers for the position of President, Vice-President, and Secretary/Treasurer.

Ms. Lewis reported that the Authority bylaws provided for a President, one or more Vice Presidents, a Secretary, a Treasurer, and one or more Assistant Secretaries or Treasurers. Per Mr. Wilder, the Board could either elect each officer separately or a group of officers as a slate. The current Town Attorney recommended that the Board elect five officers, so that each Director would have the authority to sign needed documents.

Ms. Romley MOVED; Mr. Bard seconded to select Ron Minnich as president. Motion PASSED 4-0.

Ms. Romley MOVED; Dr. Minnich seconded that Travis Bard serve as vice-president. Motion PASSED 4-0.

Ms. Romley MOVED; Dr. Minnich seconded that Michael Markgraf serve as secretary. Motion PASSED 4-0.

Ms. Romley MOVED; Mr. Markgraf seconded that Ed Steinback serve as treasurer. Motion PASSED 4-0.

Dr. Minnich MOVED; Ms. Romley seconded that the new person serve as assistant secretary-treasurer. Motion PASSED 4-0.

7. Amendment of the Open Meeting Law statement as required by the provisions of A.R.S. § 38-431.02.

Dr. Minnich explained that the Authority's current Statement needed to be updated to reflect the Authority's new address, as well as new legal counsel should the Authority approve item 11 on this agenda.

Mr. Bard MOVED; Ms. Romley seconded to approve the amended form of statement designating manner of noticing meetings and places for posting notices of meetings in the form presented to the meeting and direct that upon its execution, it be filed in the appropriate offices of the State of Arizona and Town of Chino Valley and kept on file in the records of the Authority. Motion PASSED 4-0.

8. Review of Annual Report, to be submitted by May 26, 2013.

Ms. Lewis reported that if the Board voted to change legal counsel in item 11, the new firm will become the Authority's new statutory agent.

The Directors reviewed the report and recommended no changes.

Dr. Minnich MOVED; Mr. Bard seconded to authorize the Authority's Statutory Agent to submit the May 2013 annual report. Motion PASSED 4-0.

9. Authorization to sign a letter changing the Authority's address with Foothills Bank from 1020 W. Palomino Road to 202 N. State Route 89 in Chino Valley.

Ms. Lewis reported that on July 12, 2007, the Board authorized the Authority to establish one or more bank accounts. As the Authority's address had changed, the Board needed to send a letter to Foothills Bank, authorizing them to change the address.

Mr. Bard MOVED; Ms. Romley seconded to authorize Dr. Minnich sign the letter to Foothills Bank. Motion PASSED 4-0.

10. Designation of authorized account signers with Foothills Bank.

Ms. Lewis reported that on July 12, 2007, the Board authorized the Authority to designate the authorized bank account signers. As the Board membership has changed, it needed to designate three Directors as account signers with Foothills Bank.

Mr. Bard MOVED; Ms. Romley seconded to authorize the President, Vice-President, and Treasurer as signers. Motion PASSED unanimously 4-0.

11. Recommend that the Chino Valley Town Council designate the law firm of Curtis, Goodwin, Sullivan, Udall & ~~Schwartz~~ Schwab to serve as the Authority's general legal counsel.

Ms. Lewis reported that on July 12, 2007, the Authority designated the law firm of Ryley Carlock & Applewhite to serve as the Authority's general legal counsel. In March 2013, the Town retained a new law firm, Curtis, Goodwin, Sullivan, Udall & ~~Schwartz~~ Schwab, P.L.C. ("Curtis Goodwin"), to serve as its general counsel. As Curtis Goodwin had experience with Industrial Development Authorities, the Town Manager recommended that the Board recommend to the Town Council that it designate Curtis Goodwin as the Authority's new general counsel.

Ms. Romley MOVED; Mr. Bard seconded to recommend to the Town Council that it designate the law firm of Curtis, Goodwin, Sullivan, Udall & ~~Schwartz~~ Schwab as the Authority's general legal counsel. Motion PASSED 4-0.

12. Adjourn.

Ms. Romley MOVED; Mr. Bard seconded to adjourn. Motion PASSED 4-0 at 5:35 p.m.

Dated this 1st day of May, 2013.

By: *Jami C. Lewis, Chino Valley Town Clerk*

AGENDA ITEM 5

Selecting Officers

Per the Bylaws, Section 4 Officers, the executive officers shall be a President, Vice President, Treasurer and Secretary, and any other officers as may from time to time be appointed.

The same person may hold one or more offices.

Assistant Secretaries and Assistant Treasurers may be selected by the Board at any meeting.

AGENDA ITEM 6
EXHIBITS

2017 Annual Report



WEB FORM COPY

STATE OF ARIZONA CORPORATION COMMISSION CORPORATION ANNUAL REPORT & CERTIFICATE OF DISCLOSURE



DUE ON OR BEFORE 5/26/2017

FILING FEE \$10.00

PLEASE READ ALL INSTRUCTIONS. The following information is required by A.R.S. §§10-1622 & 10-11622 for all corporations organized pursuant to Arizona Revised Statutes, Title 10. The Commission's authority to prescribe this form is A.R.S. §§ 10-121(A) & 10-3121(A). YOUR REPORT MUST BE SUBMITTED ON THIS ORIGINAL FORM. Make changes or corrections where necessary. Information for the report should reflect the current status of the corporation.

13761983

- 1. THE INDUSTRIAL DEVELOPMENT AUTHORITY OF THE TOWN OF CHINO VA 202 N STATE ROUTE 89

CHINO VALLEY, AZ 86323

Business Phone: _____ State of Domicile: ARIZONA

(Business phone is optional.)

Type of Corporation: NON-PROFIT

2.

Statutory Agent: GUST ROSENFELD PLC Mailing Address: SUSAN D GOODWIN ONE E WASHINGTON STREET STE 1600 City, State, Zip: PHOENIX, AZ 85004

Statutory Agent's Street or Physical Address, If Different.

ACC USE ONLY Fee \$ _____ Penalty \$ _____ Reinstatement \$ _____ Expedite \$ _____ Resubmit \$ _____

If appointing a new statutory agent, the new agent MUST consent to that appointment by signing below. Note that the agent address must be in Arizona. I, (individual) or We, (corporation or limited liability company) having been designated the new Statutory Agent, do hereby consent to this appointment until my removal or resignation pursuant to law. Signature of new Statutory Agent Printed Name of new Statutory Agent

3. Secondary Address:

(Foreign Corporations are REQUIRED to complete this section).

4. Check the one category below which best describes the CHARACTER OF BUSINESS of your corporation.

BUSINESS CORPORATIONS

- 1. Accounting 2. Advertising 3. Aerospace 4. Agriculture 5. Architecture 6. Banking/Finance 7. Barbers/Cosmetology 8. Construction 9. Contractor 10. Credit/Collection 11. Education 12. Engineering 13. Entertainment 14. General Consulting 15. Health Care 16. Hotel/Motel 17. Import/Export 18. Insurance 19. Legal Services 20. Manufacturing 21. Mining 22. News Media 23. Pharmaceutical 24. Publishing/Printing 25. Ranching/Livestock 26. Real Estate 27. Restaurant/Bar 28. Retail Sales 29. Science/Research 30. Sports/Sporting Events 31. Technology(Computers) 32. Technology(General) 33. Television/Radio 34. Tourism/Convention Services 35. Transportation 36. Utilities 37. Veterinary Medicine/Animal Care 38. Other

NON-PROFIT CORPORATIONS

- 1. Charitable 2. Benevolent 3. Educational 4. Civic 5. Political 6. Religious 7. Social 8. Literary 9. Cultural 10. Athletic 11. Science/Research 12. Hospital/Health Care 13. Agricultural 14. Cooperative Marketing Association 15. Animal Husbandry 16. Homeowner's Association 17. Professional, commercial industrial or trade association 18. Other

5. CAPITALIZATION: (For-profit Corporations and Business Trusts are **REQUIRED** to complete this section.)

Business trusts must indicate the number of transferable certificates held by trustees evidencing their beneficial interest in the trust estate. PLEASE PRINT OR TYPE CLEARLY.

5a. Please examine the corporation's original Articles of Incorporation for the amount of **shares authorized**.

Number of Shares/Certificates Authorized	Class	Series Within Class (if any)
0.00		
0.00		

5b. Review all corporation amendments to determine if the original number of shares has changed. Examine the corporation's minutes for the number of **shares issued**.

Number of Shares/Certificates Issued	Class	Series Within Class (if any)
0.00		
0.00		

6. SHAREHOLDERS: (For-profit Corporations and Business Trusts are **REQUIRED** to complete this section.)

List shareholders holding more than 20% of any class of shares issued by the corporation, or having more than a 20% beneficial interest in the corporation.

NONE Name: _____ Name: _____
 Name: _____ Name: _____

7. OFFICERS PLEASE TYPE OR PRINT CLEARLY. YOU MUST LIST AT LEAST ONE.

Name: <u>BEVERLY DUFFY</u>	Name: <u>EDWARD STEINBACK</u>
Title: <u>OTHER OFFICER</u>	Title: <u>TREASURER</u>
Address: <u>1077 AUTUMN LANE</u>	Address: <u>7760 East SR69, Suite C5-371</u>
<u>CHINO VALLEY, AZ 86323</u>	<u>Prescott VALLEY, AZ 86314</u>

Date taking office: <u>03/25/2014</u>	Date taking office: <u>04/29/2013</u>
Name: <u>TRAVIS BARD</u>	Name: _____
Title: <u>VICE-PRESIDENT</u>	Title: _____
Address: <u>1535 E ROAD 3 SOUTH</u>	Address: _____
<u>CHINO VALLEY, AZ 86323</u>	_____

Date taking office: <u>04/29/2013</u>	Date taking office: _____
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8. DIRECTORS PLEASE TYPE OR PRINT CLEARLY. YOU MUST LIST AT LEAST ONE.

Name: <u>John Coomer</u>	Name: <u>BEVERLY DUFFY</u>
Address: <u>855 West Butterfield Road</u>	Address: <u>1077 AUTUMN LANE</u>
<u>Chino Valley, AZ 86323</u>	<u>CHINO VALLEY, AZ 86323</u>

Date taking office: <u>06/12/2015</u>	Date taking office: <u>03/25/2014</u>
Name: <u>EDWARD STEINBACK</u>	Name: <u>TRAVIS BARD</u>
Address: <u>7760 East SR69, Suite C5-371</u>	Address: <u>1535 E ROAD 3 SOUTH</u>
<u>Prescott VALLEY, AZ 86314</u>	<u>CHINO VALLEY, AZ 86323</u>

Date taking office: <u>07/12/2011</u>	Date taking office: <u>07/02/2007</u>
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9. FINANCIAL DISCLOSURE (A.R.S. §10-11622(A)(9))

Nonprofits – financial disclosure is no longer required. Cooperative marketing associations – must submit a financial statement. All other types of corporations are not required to file a financial statement.

ONLY NONPROFIT CORPORATIONS MUST ANSWER THIS QUESTION:

9A. **MEMBERS (A.R.S. §10-11622(A)(6))** This corporation **DOES** **DOES NOT** have members.

10. CERTIFICATE OF DISCLOSURE (A.R.S. §§ 10-202(D), 10-3202(D), 10-1622(A)(8) & 10-11622(A)(7))

- A. Has any person who is currently an officer, director, trustee, incorporator, or who, in a For-profit corporation, controls or holds more than 10% of the issued and outstanding common shares or 10% of any other proprietary, beneficial or membership interest in the corporation been:
1. Convicted of a felony involving a transaction in securities, consumer fraud or antitrust in any state or federal jurisdiction within the five year period immediately preceding the execution of this certificate?
 2. Convicted of a felony, the essential elements of which consisted of fraud, misrepresentation, theft by false pretenses or restraint of trade or monopoly in any state or federal jurisdiction within the five year period immediately preceding execution of this certificate?
 3. Subject to an injunction, judgment, decree or permanent order of any state or federal court entered within the five year period immediately preceding execution of this certificate where such injunction, judgment, decree or permanent order involved the violation of:
 - (a) fraud or registration provisions of the securities laws of that jurisdiction, or
 - (b) the consumer fraud laws of that jurisdiction, or
 - (c) the antitrust or restraint of trade laws of that jurisdiction?

One box must be marked: YES NO

If "YES" to A, the following information **must be submitted** as an attachment to this report for each person subject to one or more of the actions stated in Items 1 through 3 above.

- | | |
|---|---|
| 1. Full birth name. | 5. Date and location of birth. |
| 2. Full present name and prior names used. | 6. The nature and description of each conviction or judicial action; the date and location; the court and public agency involved; and the file or cause number of the case. |
| 3. Present home address. | |
| 4. All prior addresses for immediately preceding 5 year period. | |

- B. Has any person who is currently an officer, director, trustee, incorporator, or who, in a For-profit corporation, controls or holds over 20% of the issued and outstanding common shares, or 20% of any other proprietary, beneficial or membership interest in the corporation, served in any such capacity or held a 20% interest in any other corporation on the bankruptcy or receivership of that other corporation?

One box must be marked: YES NO

If "YES" to B, the following information **must be submitted** as an attachment to this report for each corporation subject to the statement above.

- (a) Name and address of each corporation and the persons involved.
- (b) State(s) in which it: (i) was incorporated and (ii) transacted business.
- (c) Dates of corporate operation.

11. STATEMENT OF BANKRUPTCY OR RECEIVERSHIP (A.R.S. §§ 10-1623 & 10-11623)

- A. Has the corporation filed a petition for bankruptcy or appointed a receiver? **One box must be marked: YES NO**

If "Yes" to A, the following information **must be submitted** as an attachment to this report:

1. All officers, directors, trustees and major stockholders of the corporation within one year of filing the petition for bankruptcy or the appointment of a receiver. If a major stockholder is a corporation, the statement shall list the current president, chairman of the board of directors and major stockholders of such corporate stockholder. "Major stockholder" means a shareholder possessing or controlling twenty per cent of the issued and outstanding shares or twenty per cent of any proprietary, beneficial or membership interest in the corporation.
2. Whether any such person has been an officer, director, trustee or major stockholder of any other corporation within one year of the bankruptcy or receivership of the other corporation. If so, for each such corporation give:
 - (a) Name and address of each corporation;
 - (b) States in which it: (i) was incorporated and (ii) transacted business.
 - (c) Dates of operation.

12. SIGNATURES: Annual Reports must be signed and dated by at least one duly authorized officer or they will be rejected.

I declare, under penalty of perjury, that all corporate income tax returns required by Title 43 of the Arizona Revised Statutes have been filed with the Arizona Department of Revenue. I further declare under penalty of perjury that I (we) have examined this report and the certificate, including any attachments, and to the best of my (our) knowledge and belief they are true, correct and complete.

Name BEVERLY DUFFY Date 5/11/2017 Name _____ Date _____

Signature Beverly Duffy Signature _____

Title ASST SECRETARY TREASURER Title _____

(Signator(s) must be duly authorized corporate officer(s) listed in section 7 of this report.)

AGENDA ITEM 8
EXHIBITS

Resolution 17-001

RESOLUTION NO. 17-01

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE INDUSTRIAL DEVELOPMENT AUTHORITY OF THE TOWN OF CHINO VALLEY, ARIZONA, APPROVING THE TRANSFER OF THE INDUSTRIAL DEVELOPMENT AUTHORITY'S BANK ACCOUNT FROM THE FOOTHILLS BANK TO THE NATIONAL BANK OF ARIZONA, ACCEPTING THE TERMS AND CONDITIONS OF THE NATIONAL BANK OF ARIZONA FOR THE NEW ACCOUNTS, DESIGNATING AUTHORIZED SIGNERS, AND AUTHORIZING ALL ACTIONS NECESSARY TO EXECUTE THE BANKING AGREEMENT; PROVIDING FOR REPEAL OF CONFLICTING RESOLUTIONS; AND PROVIDING FOR SEVERABILITY

WHEREAS, the Board of Directors of the Industrial Development Authority of the Town of Chino Valley, Arizona ("IDA"), has been advised that the Foothills Bank is being acquired by Glacier Bancorp; and

WHEREAS, the IDA has determined that it is in the best interests of the IDA to transfer its bank accounts from the Foothills Bank to the National Bank of Arizona, a national banking association, with a branch located in Chino Valley;

NOW THEREFORE, BE IT RESOLVED by the Board of Directors of the Industrial Development Authority of the Town of Chino Valley, Arizona, as follows:

1. The Treasurer is hereby authorized and directed to close any and all IDA accounts at the Foothills Bank and to open all necessary accounts at the National Bank of Arizona at the branch located in the Town of Chino Valley, and to transfer all funds from the Foothills Bank account[s] to the National Bank of Arizona accounts in the IDA's name.

2. The President, _____, and Treasurer, _____ are hereby authorized to sign checks and execute documents necessary to open the accounts and the National Bank of Arizona, is hereby authorized, to honor checks drawn against any IDA account signed by the President and Treasurer so long as there is a balance in favor of the IDA.

BE IT FURTHER RESOLVED that all resolutions or parts of resolutions in conflict with the provisions of this resolution are hereby repealed.

BE IT FURTHER RESOLVED that if any section, subsection, sentence, clause, phrase or portion of this Resolution is for any reason held to be invalid or unconstitutional by the decision of any court of competent jurisdiction, such decision shall not affect the validity of the remaining portions thereof.

PASSED AND ADOPTED by the Board of Directors of the Industrial Development Authority of the Town of Chino Valley, Arizona this _____ day of October, 2017.

_____, President

ATTEST:

_____, Secretary