

# Industrial Development Authority Regular Meeting

December 10, 2024 | 7:30 a.m.

Chandler City Council Chambers  
88 E. Chicago St., Chandler, AZ  
or [Webex](#) 1-602-666-0783

Code: 2664 375 0604 Password: Rtc6nUeHr33



## Directors

President Charles Ertl  
Vice President William Nolde  
Secretary James Baglini, Jr.  
Treasurer John Lok  
Director Lee Kroll  
Director Shannon Wilson

Pursuant to Resolution No. 4464 of the City of Chandler and to A.R.S. § 38-431.02, notice is hereby given to the members of the Industrial Development Authority and to the general public that the Industrial Development Authority will hold a REGULAR MEETING open to the public on Tuesday, December 10, 2024, at 7:30 a.m., at City Council Chambers, 88 E. Chicago Street, Chandler, AZ. One or more Directors may be attending by telephone or Webex.

Persons with disabilities may request a reasonable modification or communication aids and services by contacting the City Clerk's office at (480) 782-2181(711 via AZRS). Please make requests in advance as it affords the City time to accommodate the request.

Agendas are available in the Office of the City Clerk, 175 S. Arizona Avenue.

# Industrial Development Authority

## Regular Meeting Agenda - December 10, 2024

### Call to Order/Roll Call

### Unscheduled Public Appearances

Members of the audience may address any item not on the agenda. State Statute prohibits the Board or Commission from discussing an item that is not on the agenda, but the Board or Commission does listen to your concerns and has staff follow up on any questions you raise.

### Approval of Minutes

1. **Minutes of the November 12, 2024, Regular Meeting**

Move the Industrial Development Authority to approve the minutes from the November 12, 2024, Regular Meeting

### Briefing Items and Discussion

2. **October 2024 Financials - Ms. Goucher**

3. **Discussion of request from Intel Corporation to amend certain loan agreements previously entered into between Intel Corporation and the Authority in connection with the Authority's outstanding bonds - Ms. Lang**

### Action Agenda

4. **Discuss and possible adoption of Resolution No. 2024-04, approving amendments to loan agreements between Intel Corporation and the Authority, and authorizing other actions in connection therewith - Ms. Lang**

5. **Election of Officers (Secretary) - Ms. Lange**

### Member Comments/Announcements

### Calendar

6. **Next Meeting Date: January 14, 2025**

Information Items

Adjourn



**Industrial Development Authority      Management Services**

**Date:** 12/10/2024  
**To:** Industrial Development Authority  
**Thru:** Dawn Lang, Deputy City Manager|CFO  
Kristi Smith, Financial Services Director  
Julie Goucher, Accounting Senior Manager  
**From:** Karla Lange, Management Assistant  
**Subject:** Minutes of the November 12, 2024, Regular Meeting

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**Proposed Motion:**

Move the Industrial Development Authority to approve the minutes from the November 12, 2024, Regular Meeting

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**Attachments**

Minutes 11-12-24

# Meeting Minutes

## Industrial Development Authority

### Regular Meeting

November 12, 2024 | 7:30 a.m.  
Chandler City Council Chambers  
88 E. Chicago Street, Chandler, AZ



#### Call to Order

The meeting was called to order by President Charles Ertl at 7:31 a.m.

#### Roll Call

##### Commission Attendance

President Charles Ertl  
Secretary James Baglini, Jr.  
Director Lee Kroll  
Director Shannon Wilson

##### Staff Attendance

Dawn Lang, Deputy City Manager | CFO  
Tawn Kao, Assistant City Attorney  
Julie Goucher, Accounting Senior Manager  
Edyie McCall, Economic Development Sr. Prgm Manager  
Chandler Escalante, Workforce Dev. Project Manager  
Leah Powell, Neighborhood Resources Director  
Amy Jacobson, Housing & Redevelopment Sr. Manager  
Karla Lange, Management Assistant

##### Other Attendees

Zach Sakas, Bond Counsel, Greenberg Traurig, LLP  
Emily Abeln, Senior Vice President of Development, Brinshore Development, LLC

##### Absent

Vice President William Nolde  
Treasurer John Lok

## Scheduled and Unscheduled Public Appearances

None.

## Approval of Minutes

1. Director Wilson moved to approve the August 13, 2024, Regular Meeting Minutes. Director Kroll seconded the motion. Motion approved unanimously (4-0).

## Briefing Items

2. **Chandler Career Center Grant – 1st Quarter Report:** Edyie McCall, City of Chandler Economic Development Sr. Program Manager noted that the 1<sup>st</sup> Quarter report outlining the most recent metrics has been provided to the board in their Agenda Packet and that she would answer any questions the board might have.

The board agreed that moving forward, the quarterly report would be provided to the board as part of the agenda packet and in-person report will not be required. If there are questions regarding the report, the IDA board will provide questions for discussion at a future meeting.

Ms. McCall concluded that they are meeting three of the four metrics and are diligently working on getting local Chandler companies to sign up on the Career Center website.

3. **2025 Annual Chandler Resident Survey:** Ms. Lang conveyed the annual budget process for FY2025-26 has been initiated with the Mayor and Council and that every year as part of this process, the city engages the public by requesting information via their annual resident survey. She voiced that engagement by the members of the boards and commissions are very important, so she wanted to ensure that the board is aware that the survey is available, and to please plan to provide input. The survey is fairly short, with six general key questions, and then is broken out by the city's Council focus areas. The survey will be available online and advertised through the various social media outlets, and paper copies will also be available at several city facilities. The survey will be translated into three languages this year to encourage as much participation as possible. She emphasized that this is vital to get this feedback at the beginning of the process prior to directors putting together budget requests for the year.

Responding to Director Kroll, Ms. Lang noted that there was a recent work session with the Mayor and Council to address issues related to street construction, as there have been feedback from residents regarding this topic. She noted that there is a proposed permit for the construction companies working on streets, that includes a deposit paid by the contractors. It includes a requirement to take down blockades every night once

work is completed, as part of the issue is these blockades are not removed daily and causing traffic issues.

She noted the survey will be available on the website from November 25 – January 10, 2025, and emphasized that staff does respond to every comment, if contact information is provided.

4. **July, August and September 2024 Financials:** Ms. Goucher presented the July Statement of Net Position that explained Total Current Assets with Cash in Bank of \$228,521, \$2,000 in Accounts Receivable and Investments of \$1,102,125, providing Total Assets of \$1,332,646. Intel application deposit of \$3,000 is recorded as a Current Liability. The Beginning Net Position is \$1,325,396 and a Year-to-Date Change in Net Position of \$4,250, providing an Ending Net Position of \$1,329,646. The Statement of Revenues, Expenditures, and Changes in Net Position for the month ended July 31, 2024, includes Investment Income of \$4,250, providing a Net Change in Net Position of \$4,250 for July.

Ms. Goucher presented the August Statement of Net Position that explained Total Current Assets with Cash in Bank of \$230,521, which includes the collection of \$2,000 in Accounts Receivable and Investments of \$1,106,192, providing Total Assets of \$1,336,713. Current Liabilities for the period are \$3,000. The Beginning Net Position is \$1,325,396 and a Year-to-Date Change in Net Position of \$8,317, providing an Ending Net Position of \$1,333,713. The Statement of Revenues, Expenditures, and Changes in Net Position for the month ended August 30, 2024, no Operating Expenses, and Investment Income of \$4,068, providing a Net Change in Net Position of \$8,317 through August.

Ms. Goucher continued with the September Statement of Net Position that explained Total Current Assets with Cash in Bank of \$230,521 and Investments of \$1,110,208, providing Total Assets of \$1,340,729. Current Liabilities for the period are \$3,000. The Beginning Net Position is \$1,325,396 and a Year-to-Date Change in Net Position of \$12,333, providing an Ending Net Position of \$1,337,729. The Statement of Revenues, Expenditures, and Changes in Net Position for the month ended September 30, 2024, includes no Operating Income or Operating Expenses, and Investment Income of \$4,015, providing a Net Change in Net Position of \$12,333 through September.

5. **IRS Form 990 Fiscal Year Ending June 30, 2024:** Ms. Goucher conveyed that this form was filed in September 2024 and is compliant with the IRS annual reporting schedule.
6. **Arizona Corporation Commission Annual Report:** Ms. Goucher noted that this report was also filed in September 2024 and is compliant with the Arizona Corporation Commission's annual reporting schedule.

7. **Discussion of Application for Financing by the Chandler Industrial Development Authority submitted by Brinshore Development, LLC, and its affiliates in an amount not to exceed \$55,000,000 for project expenditures pertaining to an affordable multifamily development consisting of approximately 250 units with community amenities for families and seniors:** Ms. Lang voiced to the board that Brinshore Development, LLC and its affiliates has submitted an application for financing for the board to review in an amount not to exceed \$55,000,000.

She offered that Mayor and Council have identified the need for affordable housing in the community. Affordable housing is not just an issue in Chandler, but has been identified nationwide, as the market has priced people out of homes. She continued that Chandler is one of the few communities in Arizona that has a Public Housing Authority Commission, which manages public housing units within the community.

Ms. Lang introduced Leah Powell, Director of Neighborhood Resources and Amy Jacobsen, Housing & Redevelopment Sr. Manager for the City of Chandler who have been working with the Mayor and Council, who have recently approved a new project on McQueen Road between Frye and Chandler Blvd. which is a large affordable housing development. The remainder of Chandler's public housing was built in the 1970s-1980s and is in need of major redevelopment. The first step will be to build this new development and move the seniors and families out of the next oldest public housing units into this new development.

The application the board has before them today is a partnership with Brinshore Development, LLC and its affiliates to develop this next oldest, Site 3, housed on 73 S. Hamilton. This project would demolish the existing 40-unit South Hamilton development and rebuild it to 250 units.

Ms. Lang continued that this topic has been under discussion by the Mayor and Council for awhile and affordable housing is not an easy solution. In the long term, the goal is to expand the number of public housing units offered by the City of Chandler. She noted that there is a program called RAD (Rental Assistance Demonstration) which converts existing public housing units into privately owned, managed and maintained units. With tax credits and other funding sources, this allows communities to either update or add affordable housing.

She noted that this project focuses on families and vulnerable populations, who will be designated to have more units available in our community.

Ms. Lang introduced Emily Abeln, Senior Vice President of Development, Brinshore Development, LLC, which is a development firm based out of Chicago, Illinois, who focuses on building affordable housing complexes for communities. Ms. Abeln offered the floor to Ms. Powell.



Ms. Powell reiterated that most of Chandler's public housing was built in the 1970's. She offered that the City of Chandler's housing units include five multi-family sites and 103 scattered units, which are mostly single-family, and are not intended for rehabilitation at this time. The focus of redevelopment will be on the five city public housing, multi-family sites. Ms. Powell noted that Site 3 is approximately eight acres, and that the current site houses 40 units. The desire is to increase that density. She reported that they will meet with the Mayor and Council next week to get more direction for future projects.

Ms. Powell added that there are some upcoming changes to the designations of this site as of January 1, 2025, to include loss of the DDA (Difficult to Develop Area) designation, which impacts the ability to get certain tax credits, and will have a significant impact on the financing for this project.

Responding to Director Kroll, Ms. Powell voiced that all of Chandler's housing units are always 100% occupied, with a 3,000-applicant waiting list. There are some applicants for one-bedroom units that have been on the waiting list for over ten years. The City of Chandler also offers Section 8 vouchers of approximately 500, with some specialty vouchers on top of that, and that wait list is also around 3,000 applicants. So, the city will never have an issue with unoccupied units, as these turn over very quickly when one becomes available.

Ms. Powell continued that current HUD guidelines allow for a family of four with an income of \$100,000 to qualify for federal assistance, and occupants pay 30% of their rent. She noted that some occupants have no income, so the city subsidizes both rent and utilities. The city does have preferences for people who work and live in Chandler and will be adding additional preferences for the new properties to include seniors, people with disabilities and veterans. Ms. Powell reported that occupants typically stay in a unit approximately five years, and for Section 8, the units are occupied around seven years. She emphasized that these programs are a steppingstone toward self-sufficiency. She also noted that while some move on to self-sufficiency, there is populations with capped income, like seniors or those with disabilities who will never be able to make additional income, so it is important to have a safety net of housing for these populations.

Responding to Director Kroll, Ms. Powell voiced that the Mayor and Council and HUD sets the preferences for the city. The Council acts as the Public Housing Authority Commission, which includes the council members plus one person who lives in public housing, and they produce an annual plan and approve a five-year plan that includes these preferences.

Responding to Director Kroll, Ms. Powell noted that the goal would be to triple the number of units currently available, however, the Council has yet to decide on a definitive number of units. She noted that tentatively they are hoping to get to 600-700 units when all is said and done and added that they do have the 103 scattered units on top of that. HUD does not release vouchers often, but they continue to apply for more of these vouchers. The city is currently offering around 550 vouchers.

Ms. Powell confirmed that this would account for approximately 15% of the overall need, based on the waiting list for both public housing and Section 8. She also added that the wait list has not been opened for several years, however the last time it was opened for Section 8, there were around 8,000 applicants, and they run a lottery for 4,000 out of the total applicants. It is about the same for public housing. She emphasized that there is a focus on being able to support service workers at restaurants and hotels and also includes staff at schools and even some city employees meet the threshold, so it is important that there are places for people to live where they work.

Responding to President Ertl, Ms. Powell reported that the lottery system for both public housing and Section 8 weeds out a lot of potential for duplicate applicants.

Ms. Abeln reported that although Brinshore Development, LLC is an independent, private firm, they almost exclusively partner with Housing Authorities and non-profits to develop housing. She offered compliments to the City of Chandler on how well-maintained the public housing units are, and how that demonstrates the care the city demonstrates toward its residents.

Ms. Abeln continued that the project timeline for closing on the bond is in 2026, however there is a long lead time due to the residents being moved from one housing site to another. She continued that the affordable housing financing environment continues to be challenging, and they experience the same market pressures, like increased interest rates, insurance costs, operating expenses and construction costs. Additionally, for a project like this, there costs incurred for bond fees and legal fees.

Ms. Abeln noted that given that this project is two years out, there will be shifts in the project, and she plans to keep the board updated as it moves forward. She voiced that the project would remain at 250 units, and the unit mix will essentially remain the same. She reiterated that the reason for bringing a project like this to the board so early is because of the low-income housing tax credits, which are a dollar-for-dollar tax liability offset for the corporations that purchase them. There are incentives to build in DDAs (Difficult to Develop Areas), which HUD (Department of Housing and Urban Development) defines, and based on their sites published for 2025, this site will no longer meet that designation, which equates to a 30% reduction in tax credit calculation.

Ms. Abeln voiced that by putting forth the inducement resolution and requesting the board's approval, this allows them to apply for volume cap through the state of Arizona at the beginning of 2025 and within the next 30 days applying for the 4% housing tax credits, which with the approved application, qualifies within the year that the application is submitted.

Ms. Abeln continued by explaining the RAD conversion program which includes a private, limited partnership that has the benefit of state oversight in terms of the public side, and ensures compliance and maintenance of the building, which interests the tax credit investors to ensure the upkeep and care of the development and initial underwriting because they want to protect the tax credits. This allows for the private sector to do the heavy lifting for financing the project and overseeing the closing as well, so it takes the burden off the government entity. She noted that the public housing would be at approximately 80% AMI (at or below median income) for a family of four, which would equate to \$80,000.

She noted that the 250 proposed units are heavy on one-bedrooms because of the senior housing priority, which is an initiative for the City of Chandler. She voiced that of these units, due to the market rate and income in the city, 100% of the units would be affordable, as the cost of capital is too high, and none will be able to be rented at market rate.

Mr. Sakas voiced that these projects are extremely complicated, as there are outside factors that the developer must qualify for, like tax credits, which do not come through the IDA board for approval. However, combining tax credit financing with tax exempt bond finance can make it attractive for developers. Until recently, there was little incentive to apply for tax exempt bonds, as regular market money was easier to apply for and was cheap, and they could still qualify for the tax credit financing. As interest rates increase, the combination of tax credit financing combined with tax exempt bonds become more advantageous for developers. The purpose of approving the inducement resolution today is to allow Brinshore Development to apply for volume cap with the state of Arizona. In conjunction, Brinshore will continue to work with the Arizona Department of Housing on the tax credit front. He noted that their application is complete and that there is sufficient information for the board to make a determination from a preliminary basis.

Mr. Sakas noted that there is an additional feasibility report and application process required for affordable multifamily housing deals that go through an IDA. There is a population threshold to meet this requirement. The Arizona IDA, the Phoenix IDA and Maricopa County IDA qualify for an exemption from this requirement, but the Chandler IDA does not. This will be tabled for a later discussion but is for informational purposes as a possible concession to the Chandler IDA fees, annual fees and other costs. He

added that the application fee of \$3,000 has been paid in full and is in good standing with respect to the application.

Mr. Sakas continued that Brinshore Development LLC is getting in early for this deal, as the volume cap offered through the State of Arizona was fully subscribed in 2024. Given the scope of this project at \$55,000,000, Brinshore is giving themselves an extra year to ensure that they will be awarded this request either in 2025 or 2026.

Responding to Ms. Abeln, Mr. Sakas confirmed that once Brinshore Development submits the tax credit application, they have 730 days to get the bond volume cap through the state of Arizona.

Responding to President Ertl, Mr. Sakas confirmed that this is a preliminary inducement resolution, and that more details on how the bond will be structured will come back to the board for approval, with the details of the revenue sources pledged and repayment structures. This is really the preliminary step to be able to request bond volume cap.

## Action Agenda

- 8. Discuss and possible adoption of Resolution 2024-03, granting preliminary approval for and declaring the intention of the Authority to issue its multifamily housing revenue bonds in an amount not to exceed \$55,000,000 for Brinshore Development, LLC or its affiliates**

Director Kroll moved to approve Resolution 2024-03, granting preliminary approval for and declaring the intention of the Authority to issue its multifamily housing revenue bonds in an amount not to exceed \$55,000,000 for Brinshore Development, LLC or its affiliates. Director Wilson seconded the motion. Motion approved unanimously (4-0).

Ms. Jacobsen thanked the board for its approval and noted that there is a focus on breaking the cycle of poverty with other programs offered today. There is a family self-sufficiency program kicking off through a financial literacy program for local junior high and high school students. She is hoping the school district will eventually come on board with the program, which is a national model with twelve components, soon to be a thirteenth component on buying a home. Ms. Jacobson noted this should be in the news in the upcoming week as it is getting a lot of attention. She voiced that it includes junior high and high school students that are part of the public housing youth that live on Chandler's sites. They will begin this as part of an after-school program that includes financial literacy focusing on the students but hopes for parent involvement as well. She noted that this education will continue with the development of the new sites.

9. **2025 Industrial Development Authority Board Regular Meeting Schedule.**  
Director Wilson moved to approve the 2025 Industrial Development Authority Regular Meeting Schedule. Director Kroll seconded the motion. Motion approved unanimously (4-0).

## **Member Comments/Announcement**

None.

## **Calendar**

10. **The next regular meeting will be held on Tuesday, December 10, 2024, at 7:30 a.m.**

## **Informational Items**

None.

## **Adjourn**

The meeting was adjourned at 8:17 a.m.

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Charles Ertl, President



**Industrial Development Authority      Management Services**

**Date:** 12/10/2024  
**To:** Industrial Development Authority  
**Thru:** Dawn Lang, Deputy City Manager|CFO  
Kristi Smith, Financial Services Director  
Julie Goucher, Accounting Senior Manager  
**From:** Karla Lange, Management Assistant  
**Subject:** October 2024 Financials - Ms. Goucher

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**Attachments**

OCT 24 Financials

**CHANDLER INDUSTRIAL DEVELOPMENT AUTHORITY**  
**STATEMENT OF NET POSITION**  
**OCTOBER 31, 2024**

ASSETS

CURRENT ASSETS:

Cash in bank	\$	230,521
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TOTAL CURRENT ASSETS		\$ 230,521
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OTHER ASSETS:

Investments		1,114,354
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TOTAL OTHER ASSETS		1,114,354
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TOTAL ASSETS		\$ 1,344,875
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LIABILITIES

CURRENT LIABILITIES:

Application deposits		3,000
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TOTAL CURRENT LIABILITIES		3,000
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TOTAL LIABILITIES		3,000
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CAPITAL:

BEGINNING NET POSITION	\$	1,325,396
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Year-to-date change in net position		16,479
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ENDING NET POSITION		\$ 1,341,875
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**CHANDLER INDUSTRIAL DEVELOPMENT AUTHORITY**  
**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN NET POSITION**  
**October 31, 2024**

	October 31, 2024	4 Month Ended October 31, 2024
OPERATING REVENUES:		
Annual Admin Fees (Tri-City Babtist Church)	\$ -	\$ -
Annual Admin Fees (Intel)	-	-
Other Revenue	-	-
	-	-
TOTAL INCOME	-	-
TOTAL OPERATING REVENUES	-	-
OPERATING EXPENSES:		
Miscellaneous (Account Analysis Settlement Bank Charge, IRS Filings)	-	-
Grant Payment	-	-
	-	-
TOTAL OPERATING EXPENSES	-	-
OPERATING INCOME (LOSS)	-	-
NONOPERATING REVENUE:		
Investment Income (LOSS)-Note 1	4,147	16,479
	4,147	16,479
TOTAL NONOPERATING REVENUE	4,147	16,479
NET CHANGE IN NET POSITION	\$ 4,147	\$ 16,479
 Note 1 - Interest Income (Loss) is as follows:		
Realized interest to date	4,147	16,479
Effect of recording investments at amortized cost	-	-





**Industrial Development Authority      Management Services**

**Date:** 12/10/2024  
**To:** Industrial Development Authority  
**Thru:** Dawn Lang, Deputy City Manager | CFO  
Kristi Smith, Financial Services Director  
Julie Goucher, Accounting Senior Manager  
**From:** Karla Lange, Management Assistant  
**Subject:** Discussion of request from Intel Corporation to amend certain loan agreements previously entered into between Intel Corporation and the Authority in connection with the Authority's outstanding bonds - Ms. Lang

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**Industrial Development Authority      Management Services**

**Date:** 12/10/2024  
**To:** Industrial Development Authority  
**Thru:** Dawn Lang, Deputy City Manager | CFO  
Kristi Smith, Financial Services Director  
Julie Goucher, Senior Accounting Manager  
**From:** Karla Lange, Management Assistant  
**Subject:** Discuss and possible adoption of Resolution No. 2024-04, approving amendments to loan agreements between Intel Corporation and the Authority, and authorizing other actions in connection therewith - Ms. Lang

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**Attachments**

Resolution IDA 2024-04

## RESOLUTION NO. 2024-04

### RESOLUTION APPROVING AMENDMENTS TO LOAN AGREEMENTS BETWEEN INTEL CORPORATION AND THE INDUSTRIAL DEVELOPMENT AUTHORITY OF THE CITY OF CHANDLER, ARIZONA; AND AUTHORIZING ACTIONS HERETOFORE AND HEREAFTER TAKEN IN CONNECTION WITH SUCH AMENDMENTS

WHEREAS, The Industrial Development Authority of the City of Chandler, Arizona (the "Authority"), a nonprofit corporation designated as a political subdivision of the State of Arizona, previously issued its (i) Industrial Development Revenue Bonds, Series 2005 (Intel Corporation Project), in the original principal amount of \$156,570,000 (the "2005 Bonds"), (ii) Industrial Development Revenue Bonds, Series 2007 (Intel Corporation Project), in the original principal amount of \$125,000,000 (the "2007 Bonds"), (iii) Industrial Development Revenue Bonds, Series 2019 (Intel Corporation Project), in the original principal amount of \$437,885,000 (the "2019 Bonds"), (iv) Industrial Development Revenue Bonds, Series 2022 (First Subseries) (Intel Corporation Project), in the original principal amount of \$131,175,000 (the "2022-1 Bonds"), and (v) Industrial Development Revenue Bonds, Series 2022-2 (Second Subseries) (Intel Corporation Project), in the original principal amount of \$444,590,000 (the "2022-2 Bonds"); and

WHEREAS, in connection with the issuance of the 2005 Bonds, the Authority and Intel Corporation ("Intel"), a Delaware corporation, entered into that certain Loan Agreement, dated as of December 1, 2005 (the "2005 Loan Agreement"), and Intel made certain covenants, representations and warranties regarding the payment of debt service on the 2005 Bonds and the amounts due from Intel to the Authority pursuant to the 2005 Loan Agreement; and

WHEREAS, in connection with the issuance of the 2007 Bonds, the Authority and Intel entered into that certain Loan Agreement, dated as of December 1, 2007 (the "2007 Loan Agreement"), and Intel made certain covenants, representations and warranties regarding the payment of debt service on the 2007 Bonds and the amounts due from Intel to the Authority pursuant to the 2007 Loan Agreement; and

WHEREAS, in connection with the issuance of the 2019 Bonds, the Authority and Intel entered into that certain Loan Agreement, dated as of June 1, 2019 (the "2019 Loan Agreement"), and Intel made certain covenants, representations and warranties regarding the payment of debt service on the 2019 Bonds and the amounts due from Intel to the Authority pursuant to the 2019 Loan Agreement; and

WHEREAS, in connection with the issuance of the 2022-1 Bonds and 2022-2 Bonds, the Authority and Intel entered into that certain Loan Agreement, dated as of September 1, 2022 (the "2022 Loan Agreement" and, collectively with the 2005 Loan Agreement, 2007 Loan Agreement and 2019 Loan Agreement, the "Loan Agreements"), and Intel made certain covenants, representations and warranties regarding the payment of debt service on the 2022-1 Bonds and the 2022-2 Bonds and the amounts due from Intel to the Authority pursuant to the 2022 Loan Agreement; and

WHEREAS, pursuant to the Loan Agreements, Intel covenanted to do all things necessary to preserve and keep in full force and effect Intel's existence as an entity, and that particularly Intel

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would not (i) dissolve, sell, transfer, other otherwise dispose of all, or substantially all, of its assets, or (ii) consolidate or merge into any other entity; and

WHEREAS, the restrictions in the Loan Agreements as described in the preceding recital are potentially permissible if the transferee or the surviving or resulting entity, if other than Intel, by proper written instrument satisfactory to the Authority, irrevocably and unconditionally assumes the obligation to perform and observe the agreements and obligations of Intel under the Loan Agreements; and

WHEREAS, Intel now desires to restructure portions of its corporate entity, and in connection therewith is now requesting the Authority to agree to certain amendments of the Loan Agreements; and

WHEREAS, the Board of Directors of the Authority (the "Board") has received a proposed form of the amendments to the respective Loan Agreements (the "Loan Agreement Amendments"); and

WHEREAS, Intel has represented that it will pay all costs and expenses of the Authority in connection with the execution and delivery of the Loan Agreement Amendments; and

WHEREAS, the Authority now desires to authorize the execution and delivery of the Loan Agreement Amendments, and authorize other actions in connection therewith;

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of The Industrial Development Authority of the City of Chandler, Arizona, as follows:

Section 1. The form, terms and provisions of the Loan Agreement Amendments, in substantially the form now on file with the Authority, is hereby approved and the President, the Vice President, the Secretary or the Treasurer or any member of the Board of Directors of the Authority, or any of them (each an "Authorized Officer"), is hereby authorized, empowered and directed to execute, acknowledge and deliver such Loan Agreement Amendments in the name and on behalf of the Authority, with such insertions, deletions and changes as are not inconsistent herewith, as shall be approved by the Authorized Officer executing and delivering the same on behalf of the Authority, and such execution, approval and delivery shall constitute conclusive evidence of their approval and of this Board's approval of any such changes from the form thereof presented to this meeting.

Section 2. All actions of the officers and agents of the Authority including the Board which conform to the purposes and intent of this resolution and which further the execution and delivery of the Loan Agreement Amendments as contemplated by this resolution, whether heretofore or hereafter taken, are hereby ratified, confirmed and approved. The proper officers and agents of the Authority are hereby authorized and directed to do all such acts and things and to execute and deliver all such documents on behalf of the Authority as may be necessary to carry out the terms and intent of this resolution.

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PASSED AND ADOPTED by the Board of Directors of The Industrial Development Authority of the City of Chandler, Arizona, this 10th day of December, 2024.

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PRESIDENT

APPROVED AS TO FORM:

Zachary D. SIKAS  
Greenberg Traurig, LLP, Counsel to the IDA

ZDS



**Industrial Development Authority      Management Services**

**Date:** 12/10/2024  
**To:** Industrial Development Authority  
**Thru:** Dawn Lang, Deputy City Manager|CFO  
Kristi Smith, Financial Services Director  
Julie Goucher, Accounting Senior Manager  
**From:** Karla Lange, Management Assistant  
**Subject:** Election of Officers (Secretary) - Ms. Lange

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**Background/Discussion**

Mr. James Baglini Jr. has submitted his resignation as Board Member effective December 11, 2024. This will leave a vacancy for the Secretary of the IDA Board. Staff recommends that the Board nominate and elect a replacement Secretary to serve for the remainder of the term, which expires May 13, 2025.

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