



**DOWNTOWN DEVELOPMENT AUTHORITY
FINANCE COMMITTEE MEETING
THURSDAY, APRIL 22, 2021 – 11:00 A.M.**

COMMITTEE MEMBERS PRESENT:

David Blaszkiewicz
John Naglick
Steve Ogden

COMMITTEE MEMBERS ABSENT:

Sonya Delley
Melvin Hollowell

OTHERS PRESENT:

Kenyetta Bridges (DEGC/DDA)
Cora Capler (DEGC/DDA)
David Laurence Howell (DEGC/DDA)
Malinda Jensen (DEGC/DDA)
Kevin Johnson (DEGC/DDA)
Jennifer Kanalos (DEGC/DDA)
Paul Kako (DEGC/DDA)
Glen Long, Jr. (DEGC/DDA)
Rebecca Navin (DEGC/DDA)
Richard Barr (Honigman)
Rainy Hamilton Jr. (Randolph Center 2020, LLC)
Chante Jackson (Hamilton Anderson Associates)
Chris Jackson
David Schervish (Randolph Center 2020, LLC)



**MINUTES OF THE DOWNTOWN DEVELOPMENT AUTHORITY
FINANCE COMMITTEE MEETING
THURSDAY, APRIL 22, 2021
ZOOM VIRTUAL MEETING – 11:00 A.M.**

GENERAL

Call to Order

Chairman Naglick called the Finance Committee meeting of the Downtown Development Authority Board of Directors to order at 11:02 a.m. Roll call was conducted and a quorum was established.

Approval of Minutes

Mr. Naglick asked if there were any additions, deletions, or corrections to the minutes of the March 29, 2021 Finance Committee meeting. Hearing none, the Committee took the following action:

Mr. Blaszkiewicz made a motion approving the March 29, 2021 minutes, as written. Mr. Ogden supported the motion. All in favor, no opposition.

PROJECTS

Paradise Valley Business & Entertainment District: Amendment to Development Agreement for 1435 Randolph and 1455 Centre

Mr. Howell provided an update to the issues raised at the Finance Committee meeting held March 26, 2021 regarding lender commitment, financial due diligence, and projected project performance.

DDA staff received a copy of written correspondence from Flagstar Bank confirming that, subject to receipt of final financial due diligence items for Rainy Hamilton and Hamilton Anderson Associates, the project's revised proforma, reflecting the Revised Terms, is acceptable to Flagstar to commence its formal underwriting process. In addition, Flagstar Bank has expressed interest in purchasing the historic tax credits for the project, the details of which require further negotiation between Developer and the bank.

The DDA staff is seeking the Board's approval to negotiate and execute an Amendment to the Development Agreement and the documents governing the DDA Loan consistent with the Revised Terms and requests that the Finance Committee recommends approval of the Revised Terms to the Board.

Mr. Naglick called for comments/questions.

Mr. Blaszkiewicz noted that his team did an internal review of the proforma and wanted to test some of the assumptions. He reported that this is a workable deal that may require additional



modifications as the financial structure is finalized. Mr. Naglick indicated that he spent time with DDA staff to make sure that he was comfortable with the pro forma.

Mr. Ogden also received more clarification about the term sheet and is more comfortable with the specificity of the deal.

Mr. Blaszkiewicz made a motion to support the revisions. Mr. Ogden supported the motion with discussion noting that we operate within the confines of each deal standing on its own merits yet there are other deals within the project area. This deal, while a stand alone deal, sets precedence for the other projects in this neighborhood.

Mr. Naglick reiterated that the Committee does not desire to continuously renegotiate these deals and that while technical modifications may be warranted to meet financial underwriting guidelines, each developer is expected to have done its proper due diligence and be able to complete the deal in accordance with the agreed upon terms as outlined.

Mr. Naglick noted that the motion was approved and project approval will be recommended to the full DDA Board at its next regularly scheduled meeting.

ADMINISTRATION

None.

PUBLIC COMMENT

None.

ADJOURNMENT

With there being no further business to be brought before the Committee, on a motion by Mr. Ogden, seconded by Mr. Blaszkiewicz. Mr. Naglick adjourned the meeting at 11:22 a.m.