

MINUTES OF THE SPECIAL MEETING OF THE BOARD OF THE INDUSTRIAL DEVELOPMENT AUTHORITY OF THE CITY OF SHOW LOW HELD ON THURSDAY, SEPTEMBER 12, 2024, AT 2:00 P.M. IN SHOW LOW CITY HALL, COUGAR CONFERENCE ROOM, 180 NORTH 9TH STREET, SHOW LOW, NAVAJO COUNTY, ARIZONA

1. Call to Order.

Nathan Shelley called the meeting to order at 2:00 p.m.

2. Roll Call.

INDUSTRIAL DEVELOPMENT AUTHORITY BOARD MEMBERS PRESENT:
Nathan Shelley, Chris Hudson, and Rudy Navarro.

INDUSTRIAL DEVELOPMENT AUTHORITY BOARD MEMBERS ABSENT:
None.

STAFF: F. Morgan Brown, City Manager; Justin Johnson, Deputy City Manager; and Kathy Clements, Assistant City Clerk.

GUESTS: None.

3. Introduction of New Board Member

President Shelley welcomed Rudy Navarro to the Board.

4. Purpose, procedures, and training for the Industrial Development Authority.

Mr. Brown said the Industrial Development Authority (IDA) was created by revisions to the Internal Revenue Code and allowed states to create IDAs to spur industrial and economic development in communities. The IRS said that certain projects could go through the IDA and that banks that loaned money for these projects did not have to pay taxes on the loans, enabling them to provide cheaper interest rates.

Mr. Brown said that Snowflake Power went through the Show Low IDA. A project did not necessarily have to be in the IDA's municipality. The Show Low IDA also did several projects with the hospital. He said several people recently inquired about developing multifamily housing through the IDA.

Mr. Brown said the IDA board consisted of three members, all of whom must reside within the city limits of Show Low. The City Council appointed IDA board members for overlapping six-year terms. He said the board was required to conduct one meeting annually and file an annual report with the Arizona Corporation Commission.

Mr. Brown said that because the City Council appointed the board, the members were subject to open meeting laws and conflict of interest rules. A member of the IDA would need to declare a conflict of interest if the member or a family member had financial or property interest in a matter before the board. He said speaking with each other about IDA business outside of an official meeting would violate open meeting laws.

Mr. Navarro asked if the Show Low IDA was affiliated with any other IDA. Mr. Brown said no that each IDA was a stand-alone entity created by a city, town, or county.

Mr. Navarro asked if entities seeking assistance approach the IDA or the City. Mr. Brown said typically, people approached the City; there were formally adopted rules and an application process. The City had a process to vet projects before they were sent to the IDA for consideration. The IDA board's job was to ensure that the project complied with the rules and benefited the community. He said sometimes the projects would still need to go through City Council.

5. Election of Officers for the Industrial Development Authority.

Mr. Brown said that since the IDA needed to file its annual report, now was the time to change officers if necessary. Ms. Clements said Secretary Gaston's term expired in July, and his position needed to be filled.

Board members Hudson and Navarro said they were happy with Nathan Shelley remaining president. Mr. Shelley said he would continue to serve as President.

BOARD MEMBER HUDSON NOMINATED RUDY NAVARRO FOR SECRETARY; SECONDED BY NATHAN SHELLEY; PASSED UNANIMOUSLY.

6. Consideration of Approval of Minutes of the Industrial Development Authority Meetings held on September 8, 2023.

SECRETARY NAVARRO MOVED TO APPROVE THE SPECIAL MEETING MINUTES OF SEPTEMBER 8, 2023; SECONDED BY BOARD MEMBER HUDSON; PASSED UNANIMOUSLY.

7. Consideration of Approval of Annual Report.

The draft annual report was presented to the board members for approval.

BOARD MEMBER HUDSON MOVED TO APPROVE THE ANNUAL REPORT, UPDATING OFFICERS' NAMES TO REFLECT TODAY'S ELECTION

RESULTS; SECONDED BY SECRETARY NAVARRO; PASSED UNANIMOUSLY.

8. Adjournment.

BY UNANIMOUS CONSENT AND WITHOUT OBJECTION, PRESIDENT SHELLEY ADJOURNED THE MEETING OF THE INDUSTRIAL DEVELOPMENT AUTHORITY OF THE CITY OF SHOW LOW AT 3:10 P.M.

Approved:



Rudy Navarro, Secretary