

**Minutes of the
INDUSTRIAL DEVELOPMENT AUTHORITY
July 14, 2015**

1. CALL TO ORDER: 10:05 a.m.
2. ROLL CALL

PRESENT

Patrick Scherden
Robert Marrufo
Howard Henderson
Bill Thomas Sr.
Florencio Lopez
Daniel Ortega Sr.

ABSENT

Josue Lopez
Craig Hughes

Others present:

Carlos De La Torre, City of Douglas
Alma Andrade, City of Douglas

3. APPROVAL OF MEETING MINUTES FOR JUNE 23, 2015

Motion by Howard Henderson to approve the meeting minutes for June 23, 2015; second by Robert Marrufo and Daniel Ortega Sr. Motion passed unanimously.

4. TREASURER'S REPORT

Howard Henderson provided the treasurer's report as follows:
\$169,523.99 in credit union
July 3, 2015, deposit in the amount of \$24,621.04 from:
City of Douglas: \$20,000
La Paloma: \$1,915.70
Precept: \$1,300
Ortega's \$1,405.34

Howard Henderson stated he received the last payment from La Paloma Charter School.

In addition, stated IDA and Freeport had a visit at the building in order to smooth out the transition of moving into the building.

Howard Henderson stated he will have an updated report at the next IDA meeting.

Motion by Howard Henderson to go to the Federal Credit Union and Washington Federal bank to change signature cards to add Patrick Scherden (President), Robert Marrufo (Vice President), and Howard Henderson (Treasurer), and to remove Daniel Ortega Sr. (Former President), second by Daniel Ortega Sr. and Florencio Lopez. Motion passed unanimously.

Motion by Robert Marrufo to approve the Treasurer's report; second by Daniel Ortega Sr. Motion passed unanimously.

5. DISCUSSION/REVIEW PERTAINING TO THE IDA BYLAWS

Howard Henderson mentioned that Patrick Scherden designated Howard Henderson and Bill Thomas as the committee to review the IDA bylaws.

Patrick Scherden inquired if the latest bylaws had signatures and if no signatures it means they do not exist.

Howard Henderson stated that the bylaws were presented in 2008, but without the proper public notification.

Robert Marrufo suggested including telephonically/proxy to the bylaws in order to allow to have quorums when members are traveling.

Robert Marrufo inquired about the number of members. To this the executive assistant responded they have 8 members and 1 vacancy.

Carlos de la Torre suggest that members can read and review them, then the attorney can review them and make sure everything is within the legality.

Florencio Lopez inquired if they will be using the 2008 IDA bylaws as reference in order to review and suggest new revisions or change language.

Patrick Scherden also commented there should be some changes into section 7 of the bylaws to address the Secretary, because the Secretary requires to be elected and IDA needs to change the language to reflect that the Secretary can be appointed and ratified by the board.

Carlos de la Torre mentioned it would be better for the IDA members to review and suggest language to the bylaws and send it to members before the next meeting, therefore, they can print out a set of the bylaws with changes incorporated for members to review.

6. UPDATE/DISCUSSION REGARDING THE BROPHY BUILDING PURCHASE OFFER

Carlos de la Torre received an email from Craig Abbott from the Brophy building owner as follows:

“Carlos another party has talked about making an offer on the Brophy building that is for cash it is listed for \$129,900. The owner will consider a slightly lower amount than this, but cash is his hot button.”

Bill Thomas mentioned he hopes offer goes on in order to move forward.

7. UPDATE/DISCUSSION ON THE DOWNTOWN MERCHANTS FACADE

Carlos de la Torre provided information regarding the grant program for façade improvements. The focus was primarily in the downtown area. In addition Carlos de la Torre mentioned that IDA may want to focus on downtown only, but it would be a good idea to focus in the business district, which is 5th Street, downtown, A Avenue and San Antonio.

The idea is for the City and IDA to partner and look at those areas and see if there's anybody interested in making those improvements.

Carlos de la Torre mentioned that an application would not exceed \$2,500 per applicant. Carlos de la Torre stated they can start with \$20,000. The idea is for the applicant to receive \$2,500 from the City and the IDA towards the program. The applicant will also be responsible for a third of the cost.

In addition Carlos de la Torre stated that the program would start with the deadline of applications by the end of August 2015 and meet two weeks after, and the owner will have two months to complete the project. No partial payments, they will have to complete it all. Simple application and the improvements will be painting. Things that will be excluded are any interior

work, security and fire systems, light improvements; any structural repairs will be out of the application. Very simple application and the owner needs to provide them with some information as the before and after exhibits. Also, not limiting to the owner, but perhaps a tenant of a business building may be eligible to receive up to \$2,500 for façade improvements.

Bill Thomas Sr. inquired if its \$2,500 per project. To this Carlos de la Torre said yes and also stated that the \$2,500 includes canopies.

Howard Henderson provided an example by stating that the owner would do a project of \$3,700 and the IDA and the City would provide \$2,500 towards the project.

Bill Thomas Sr. inquired and suggested for the Realtor's association to handle these applications/projects. In addition Bill Thomas Sr. stated that IDA can give the money to the Realtor's association as they can take care of the rest.

Florencio Lopez inquired if the owners would request the applications from the Realtor's association.

Robert Marrufo commented that the Designed Review Board approved the colors pallet and owners can pick from there as long as no purples, yellows or greens.

Bill Thomas Sr. commented that the Double Deuce has been painted and looks great.

Bill Thomas Sr., asked Mr. Durazo from Chatita's Restaurant about the possibility of a mural against the Cowbelle's wall and he like the idea as long as the city can remove the trees and plant them somewhere else.

Robert Marrufo inquires if the U of A, Cochise College or Mr. Paun can come and do the mural.

Bill Thomas Sr. talked to the gas station (Eloy's) people to see if they are willing to buy the paint and IDA can provide the people to paint it.

Carlos de la Torre mentioned that on Eloy's, shop, the canopy, everything on that corner, could cost approximately \$1,600 for paint.

Carlos de la Torre stated that ADEQ has a consent order in order to force the owners to remove the leaking tanks from the area. In addition Carlos de la Torre mentioned that Mr. La Forge is working on this to do what he can do to better the community.

Bill Thomas Sr. will address Eloy's owner reference his property.

Florencio Lopez inquired if this opportunity would be extended to all business districts and not only downtown.

Bill Thomas Sr. will address the Realtor's association.

8. CALL TO THE PUBLIC

Carlos de la Torre commented on the response from CBP by the Assistant Commissioner Owen in reference to the 559 submittal, which denied the City's proposal as it didn't meet the intent of their framework or regulations. In their minds, they saw a complete donation. In other words the city would have to build it and turn it to Customs and Border Protection without payment, leases or anything like that. CBP also mentioned they were envisioning improvements to the existing facility, but not a new facility.

In addition Carlos de la Torre mentioned that the City will put something in front of them as the applications will open October 1, 2015 in order to resubmit. Strategize and do something different. Carlos de la Torre would like to arrange meetings with the General Services Administration (GSA), Customs and Border Protection (CBP), and all the congressional delegations to see where the city stands. Carlos de la Torre mentioned that the city is standing as they were 3 years ago from the beginning, but they are moving forward with this project.

As an additional comment Carlos de la Torre stated that CBP received a total of seven applicants. Carlos de la Torre would like to see what other individual submitted and what type of projects they submitted in order to have a better understanding of where the city is.

Carlos de la Torre mentioned that San Luis invested over 90 million dollars into their facility, but has no traffic. The other port is Mariposa and from the state level they see Mariposa as the only port Arizona needs. Douglas is not competing with Nogales, they have their business, Douglas will not take their business away and Douglas needs to build another port.

Florencio Lopez inquired if the city had an opportunity to talk to Luis Ramirez regarding the Douglas port in a possibly to review the application and assist with the same. In addition, Florencio Lopez commented that how can Douglas revise the application instead of paying the money again.

Carlos de la Torre mentioned that Douglas has up grown the existing facility and is limited to commercial traffic. The port operates from 8-5pm, but what happens from 6pm to 7am, Douglas can process more vehicles. The city may be able to expand in the short term.

Robert Marrufo inquired if there was a plan to construct the port behind Walmart. To this Carlos de la Torre said yes. Robert Marrufo mentioned that it looks much easier to build a smaller commercial port.

Carlos de la Torre stated that the new port could be very simple, couple booth, couple of offices in order to get traffic out of here.

Carlos de la Torre summarize on the next steps to follow to meet with GSA and CBP regarding the Douglas port.

9. AGENDA ITEMS FOR NEXT MEETING

- Approval of the meeting minutes for July 14, 2015.
- Treasurer's report
- Discussion/Review pertaining to the IDA bylaws changes
- Update/Discussion on the Merchant's Façade Improvements
- Update on the City of Douglas' Section 559 POE Application

10. DATE FOR NEXT MEETING

July 27, 2015 at 10am.

11. ADJOURNMENT: 11:18 a.m.

Posted at City Hall on Monday, July 27, 2015 by:


Alma Andrade
Executive Assistant