

**Minutes of the  
INDUSTRIAL DEVELOPMENT AUTHORITY  
November 24, 2014**

- 1. CALL TO ORDER: CALL TO ORDER: an Industrial Development Authority meeting of the City of Douglas was held at City Hall, 425 10<sup>th</sup> Street, Douglas, AZ 85607 on November 24, 2014 at 11:05 a.m.**

- 2. ROLL CALL**

**PRESENT**

Howard Henderson  
Josue Lopez  
Bill Thomas Sr.  
Robert Marrufo  
Craig M. Hughes  
Patrick Scherden

**ABSENT**

Daniel Ortega Sr.  
Florencio Lopez

**Others Present:**

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

- 3. CONSIDERATION/ACTION OF REQUEST FROM ORTEGA'S STORES INCORPORATED.**

Mr. Hughes stated he has no problem with granting the loan to Ortega's Stores Incorporated. In addition Mr. Hughes would like to grant a month free on this loan and the first payment due on February 1, 2015. As an additional comment Mr. Hughes stated Ortega's Stores Incorporated have a building for collateral to secure this loan.

Mr. Thomas inquired on the percentage La Paloma school pays IDA, which is 7%.

Mr. Henderson stated IDA granted a loan to the school about three years ago at a 48 month loan with 7% interest rate.

Mr. Scherden is also in agreement with lending to Ortega's Stores Inc.

Mr. Josue Lopez inquired if there were any penalty; also suggested allowing Ortega's Stores Inc. to pay within 24 months.

Mr. Thomas suggested lending the loan as IDA CDs perhaps at a 1%.

Mr. Henderson stated Ortega's collateral building is located at 918 G Avenue (Cloz Line), which is larger and in better condition than the other two buildings they own. If needed, IDA can extend the terms to 48 months with a lower interest rate.

Mr. De La Torre provided an average of interest rate as follows: one year at 1.1%-1.12%, two years 1.3%-1.25%, and 5 years at 2.25%.

Mr. Thomas suggested sixty months at 5% with no prepayment penalty.

Mr. Josue Lopez is also in agreement with the 5%.

Mr. Thomas commented IDA can get parcel numbers to Ortega's collateral building and take the information to the Title Company for legal processing.

Motion by Howard Henderson to loan \$75,000, for five years at 5% interest rate; no prepayment penalty and to accept the 918 G Avenue building as collateral, the first payment shall be February 1, 2015; Second by Patrick Scherden and Craig Hughes.

**4. CALL TO THE PUBLIC**

None.

**5. AGENDA ITEMS FOR NEXT MEETING**

- Update on Ortega's Store collateral building
- POE Update regarding the 559 rules and application submittal
- Update on Grand Theater painting

**6. DATE FOR NEXT MEETING**

December 9, 2014

**7. ADJOURNMENT: 11:21 a.m.**

Prepared by:



Alma Andrade  
Executive Assistant

For reasonable accommodations pursuant to the Americans with Disabilities Act (ADA), call Frank Piñon at 417-7315 as early as possible to coordinate needed arrangements.  
For further information, please call Alma Andrade, City of Douglas at 417-7302.