



# MEMORANDUM

Date: December 18, 2023

To: The Honorable Chair and Members  
Pima County Board of Supervisors

From: Jan Leshner   
County Administrator

Re: **Additional Information for the December 19, 2023 Board of Supervisors Agenda,  
Item #12 – Industrial Development Authority**

In 2023 the Pima County Industrial Development Authority (IDA) has had two issuances of \$25 million each of Joint Single Family Mortgage Revenue Bonds approved by Pima County Board of Supervisors resolution. The issuances are used to facilitate home purchases by low and moderate-income residents of Pima County under the "Lighthouse" program and have proved to be extremely popular with first time homebuyers as mortgage interest rates have priced many residents out of the housing market.

The first issuance was conducted jointly with the Tucson Industrial Development Authority with both IDAs sharing equally the approximately \$1 million upfront cost of the required deposit intended to cover negative arbitrage and capitalized interests that may occur during the origination period. The Pima IDA placed the bonds, worked with the underwriter and the banks. The Tucson IDA handled the marketing for the first Lighthouse program. This first issuance, known as Lighthouse 2023A, has progressed rapidly and has approximately \$24,990,000 of the \$25,000,000 approved that are between loans still in reservation or in process; and some have already been purchased by the bond trustee.

The second issuance, approved by resolution of the Board of Supervisors on October 3, 2023, involved only the Pima County IDA and was branded Lighthouse 2.0. This second issuance, Lighthouse 2023B, has also moved quickly with approximately \$23,000,000 reserved from the \$25,000,000 with the remaining amount for the manufactured housing or low income set-asides. There may be fallout (mortgage loan rates have dropped) between the time of loan reservation and loan closing or sale to the master servicer.

The proposed \$100,000,000 issuance for Lighthouse in 2024 (to be issued in tranches) before you on December 19, 2023, was approved on December 8, 2023 by the Pima County IDA Board of Directors (no comments at the public hearing) and has already been approved by the Tucson IDA Board of Directors. The City of Tucson Mayor and Council meeting to consider the Tucson IDA's participation is scheduled for Jan 9, 2024.

Mr. Michael Slania, legal counsel to the Pima County IDA, will be in attendance at the December 19, 2023 meeting of the Board of Supervisors to answer any questions you may have.

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The Honorable Chair and Members, Pima County Board of Supervisors  
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Recommendation

I recommend the Board of Supervisors:

1. Approve the proceedings of the Pima County Industrial Development Authority and the Single Family Mortgage Revenue Bond Program of 2024 including the standards and requirements related thereto, a general plan and related program documents; and
2. Authorize and approve the issuance of not-to-exceed \$100,000,000 the Industrial Development Authority of the County of Pima Single Family Mortgage Revenue Bonds, in one or more subseries.

c: Carmine DeBonis, Jr., Deputy County Administrator  
Heath Vescovi-Chiordi, Director, Economic Development Office