



Board of Supervisors Memorandum

July 28, 2026

Pima County Industrial Development Authority Organizational Structure and Board Membership and Composition

Background

The Pima County Industrial Development Authority (IDA) is an independent public corporation established under Arizona law to promote economic development throughout Pima County. Created in 1972 pursuant to the Arizona Industrial Development Financing Act, the Authority helps facilitate projects that support business growth, job creation, infrastructure investment, and community development.

The IDA's mission is to encourage manufacturing, industrial, commercial, and agricultural enterprises to locate, expand, and invest in Pima County. It accomplishes this by recommending and supporting the acquisition, financing, construction, leasing, and development of qualifying projects that strengthen the county's economy.

The Authority is governed by a five-member board appointed by the Pima County Board of Supervisors. Board members serve staggered six-year terms and meet regularly to review financing opportunities and conduct Authority business. As a public entity, the IDA operates under Arizona statutes governing industrial development authorities and conducts its meetings in accordance with Arizona's public meeting laws.

By providing access to financing tools and supporting strategic development projects, the Pima County IDA plays an important role in fostering private investment, expanding employment opportunities, and enhancing the long-term economic vitality of Pima County.

Recent events have understandably prompted questions about the future role and governance of the Pima County Industrial Development Authority (IDA). While these issues warrant careful attention and thoughtful action, they should not overshadow the decades of meaningful public benefit the IDA has provided through financing projects that have strengthened economic development, expanded housing opportunities, supported healthcare and education, and improved infrastructure throughout Pima County.

Rather than defining the IDA by recent challenges, this moment presents an opportunity to reflect, make appropriate adjustments, and establish a renewed partnership between Pima County and the IDA that is grounded in transparency, accountability, and shared strategic priorities.

Over time, the IDA has evolved to operate with increasing independence from the County. Although its financing activities have delivered significant public value, the current environment presents an appropriate opportunity to more closely align the IDA's mission, governance, and priorities with those of Pima County.

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Looking ahead, the Pima County Industrial Development Authority has the opportunity to evolve beyond its traditional role as a financing conduit and become a more active strategic partner in advancing the County's long-term economic development goals. By leveraging its statutory financing authority in closer coordination with County leadership, the IDA can help support priorities such as economic prosperity, attainable housing, critical infrastructure, workforce development, and community investment, ensuring its resources are deployed where they will have the greatest public impact.

Strengthening the Partnership Between Pima County and the Industrial Development Authority.

The Pima County Industrial Development Authority (IDA) has the opportunity to become a more integrated partner in advancing the County's economic development priorities. While the Authority's statutory role is to facilitate financing for eligible projects, its expertise and flexibility can be leveraged to support broader County initiatives through closer coordination, strategic planning, and proactive project development.

1. Align Strategic Priorities.

The County and the IDA should develop a shared annual work plan that identifies priority initiatives where the Authority can provide financing expertise. These priorities could include:

1. Workforce and affordable housing;
2. Infrastructure supporting economic development;
3. Healthcare and behavioral health facilities;
4. Childcare and education facilities;
5. Renewable energy and sustainability projects;
6. Rural economic development; and
7. Community and neighborhood reinvestment.

This alignment ensures that financing opportunities directly support County policy objectives.

2. Establish Regular Coordination

A more strategic alignment can be accomplished by both restructuring the IDA Board to include Pima County representation and by delineating regular reporting requirements.

A. Pima County IDA Board of Directors

The Board of Directors of the IDA is currently comprised of five (5) Directors recommended by the IDA and approved by the Pima County Board of Supervisors. Directors serve a six-year term. The Directors serve in staggered terms with one Director currently serving until September 2026, two Directors serving until September 2028 and two Directors filling terms that will expire in September 2030.

To establish a structural link between Pima County, the Pima County IDA and its affiliated non-profits, it is proposed that effective September 1, 2026, the Board be comprised of two Directors representing the current IDA, two Directors recommended by the County Administrator and one Director recommended by the Affiliated Non-Profits (Family Housing Resources, Southern Arizona Land Trust, Community Investment Corporation, and FHR Cares).

All recommendations will be made to the Pima County Board of Supervisors, which will appoint Directors.

To reestablish staggered terms, it is recommended that one representative of the IDA and one representative of Pima County be appointed for a period of six years; one representative of the IDA and one representative of Pima County be appointed for a period of four years; and the representative of the affiliated non-profits serve a period of two years. (Attachment A) Following these initial appointments, each of the five members of the IDA Board will serve a six-year term.

B. Reports and Meetings

The IDA will provide oral and written reports to the County as described below:

Per Occurrence

- Copies of IDA Board and Committee Agendas and Minutes will be sent to the Clerk of the Board and County Administrator, or designee(s).
- Any time the IDA or any affiliated non-profit issues bonds, mortgage credit certificates, makes grants, provides small business loans or downpayment assistance, or builds houses, such shall be reported within five (5) business days to the Clerk of the Board and the County Administrator or designee(s).
- The Clerk of the Board and the County Administrator or designee(s) shall be informed within five (5) business days of any activity or event that is important to the mission of the IDA. These activities or events include but are not limited to upcoming capital projects, economic development opportunities, legislative changes, changes in the bond market, and potential public/private partnerships

Monthly

- A monthly coordination meeting will be held between the County Administrator or designee(s) and the appropriate staff of the IDA to ensure the goals and objectives of the Pima County IDA are achieved or that all work necessary to achieve success is in progress.

Quarterly

- A report summarizing all activities of the IDA and its affiliated non-profits for the previous quarter.
- A report detailing the bond market conditions for the previous quarter.

Annually

- A copy of the IDA's annual external audit for the preceding fiscal year within thirty (30) days after the approval of the annual audit by the IDA Board of Directors but not later than December 31st of that year.
- A written report of IDA's success in achieving its annually stated goals and services. The report should include actual result(s)/outcome(s) of each performance goal.

It is critical that Pima County and the IDA both address the governance and culture of the Authority. The County can preserve the IDA's legal independence while fostering closer collaboration through modified membership on the Board of Directors. It is also recommended that joint strategic planning sessions, cross-participation in economic development efforts, and clear communication channels between County staff and the IDA board occur. This approach maintains the Authority's independent decision-making role while ensuring its work is closely aligned with the County's priorities.

3. Support Pima County Economic Development and Community Reinvestment Goals

Working alongside the County's economic development and community workforce staff, the IDA can help recruit and retain employers by demonstrating financing tools available for business expansion, facility development and community reinvestment. Rather than engaging with the IDA only after projects are fully developed, County departments will involve the Authority during project planning. Early collaboration allows financing structures to be evaluated alongside grants, tax credits, and public-private partnerships.

4. Develop Signature Initiatives

No later than August 31, 2027, Pima County and the IDA will jointly identify and launch key joint initiatives such as:

- Affordable housing financing programs;
- Small business capital access programs;
- Community facility financing;
- Infrastructure investment partnerships;
- Clean energy financing initiatives; and
- Rural development financing

The successful implementation of visible initiatives will reinforce the Authority's value as an active partner.

5. Measure Community Impact

To demonstrate to the public how the IDA contributes to broader County goals, in addition to tracking bond volume, the IDA will measure outcomes and provide annual reports to Pima County noting such elements as:

- Jobs created and retained
- Housing units developed
- Private investment leveraged
- Tax base growth
- Infrastructure improvements
- Community facilities financed
- Communities and neighborhoods improved

6. Hire and Maintain IDA staff

Historically, the administrative work of the IDA was conducted by staff of the legal counsel for the Authority. More recently, the IDA entered into a management contract with one of the affiliated non-profits, the Community Investment Corporation (CIC) and hired the CEO of one of the affiliated non-profits to serve as the Executive Director of the IDA. Once the new Board of Directors is seated, the Board should hire paid staff to work for and only for the IDA. The Board should determine the number of individuals and budget necessary to support the organization but should hire at least one individual who will function as the Executive Director of the Pima County IDA.

The IDA staff will provide all administrative and managerial work necessary to support the IDA including but not limited to: 1) support of the Board of Directors including meeting agendas, minutes and materials and regular collaboration and communication; 2) manage and supervise staff; 3) oversee the financial management of the IDA including management of the annual budget, audit, report and all IDA Assets; 4) ensure compliance with all laws, rules, requirements, policies and procedures; and 5) develop and implement program planning processes.

Recommendation

It is recommended that the Board of Supervisors:

1. Affirm the role of the IDA as a strategic financing partner supporting County priorities.
2. Direct the County Administrator and the IDA to jointly develop an annual strategic work plan establishing priority initiatives.
3. Direct County staff to work with IDA Directors and legal counsel to amend the Articles of Incorporation and Bylaws to:
 - Reconstitute the Board of Directors to include two members recommended by the IDA, two members recommended by the County Administrator, and one member recommended by the affiliated nonprofit organizations as identified in Attachment A;
 - Maintain staggered terms consistent with Attachment A; and
 - Strengthen governance while preserving the Authority's statutory independence.

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Adopt formal reporting requirements, communication protocols, and regular coordination meetings between County leadership and the IDA.

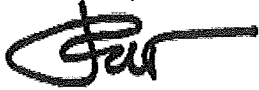
4. Direct County departments to engage the IDA early in the planning of eligible economic development, housing, infrastructure, and community investment projects.
5. Direct the County Administrator and the IDA Board to jointly develop and implement signature financing initiatives no later than August 31, 2027.
6. Require annual reporting on measurable community outcomes, including jobs created, housing units financed, private investment leveraged, infrastructure improvements, community facilities financed, neighborhood revitalization, etc.
7. Direct the reconstituted IDA Board to employ dedicated staff, including an Executive Director responsible solely for administration of the Authority.

Conclusion

The Pima County Industrial Development Authority has a long history of serving the residents of Pima County through innovative financing that has supported housing, healthcare, education, and economic development. The Recommendations contained in this memorandum build upon that legacy by strengthening governance, increasing accountability, improving coordination, and aligning the Authority more closely with the priorities of the Board of Supervisors.

Implementing these recommendations will preserve the IDA's statutory independence while positioning it as an integrated strategic partner capable of leveraging public financing tools to advance economic opportunity, community investment, and long-term prosperity throughout Pima County.

Sincerely,



Jan Leshner
County Administrator

JKL/je – July 23, 2026

Attachment

c: Industrial Development Authority, Board of Directors
Mr. Patrick Griffin, Miller, Pitt, Feldman & McAnally PC
Mr. Max W. Larnerd, Miller Pitt, Feldman & McAnally PC
Mr. Steve Russo, Russo, Russo & Slania PC
Sam Brown, Chief Civil Deputy, Pima County Attorney's Office
Carmine DeBonis, Jr., Deputy County Administrator
Steve Holmes, Deputy County Administrator
Chad Kasmar, Deputy County Administrator

ATTACHMENT A

ATTACHMENT A

IDA BOARD OF DIRECTORS PROPOSED MEMBERSHIP

IDA 1: IDA Director Patrick DeConcini to serve until September 1, 2032. Director DeConcini is currently serving until 2028.

IDA 2: IDA Director John Payne to fulfill the unexpired portion of his term or until September 1, 2030.

PC 1: Deputy County Administrator Carmine DeBonis, Jr. to serve until September 1, 2032

PC 2: Senior Advisor Nancy Cole to serve until September 1, 2030

ANP 1: One staff member representing the four affiliated non-profits shall be recommended by the affiliates to serve until September 1, 2028.

	Sep-26	9/1/2027	9/1/2028	9/1/2029	9/1/2030	9/1/2031	9/1/2032	
IDA 1	X	X	X	X	X	X	X	9/1/2026 THRU 9/1/2032
IDA 2	X	X	X	X	X			9/1/2026 THRU 9/1/2030
PC 1	X	X	X	X	X	X	X	9/1/2026 THRU 9/1/2032
PC 2	X	X	X	X	X			9/1/2026 THRU 9/1/2030
ANP 1	X	X	X					9/1/2026 THRU 9/1/2028