

**PAPAGO PARK CENTER INC.
MEETING NOTICE AND AGENDA**

**BOARD OF DIRECTORS MEETING
Monday, February 1, 2021, No Sooner Than Noon**

Papago Park Center Inc. meetings will be held via teleconference until further notice. The public may participate in these teleconference meetings by contacting the Corporate Secretary's Office at (602) 236-4398. Supplemental materials will be available on the SRP website.

Directors: David Rousseau, President; John Hoopes, Vice President; and Kevin Johnson, Mark Pace, and Leslie C. Williams

Call to Order
Roll Call

1. **CONSENT AGENDA:** The following agenda item(s) will be considered as a group by the Board of Directors and will be enacted with one motion. There will be no separate discussion of these item(s) unless a Board Member requests, in which event the agenda item(s) will be removed from the Consent Agenda and considered as a separate item..... CHAIRMAN DAVID ROUSSEAU
 - Request for approval of the minutes for the meeting of August 3, 2020
2. Executive Session, Pursuant to A.R.S. §38-431.03(A)(7), for Discussion and Consultation with Designated Representatives of PPC, Inc. to Consider the Board's Position and Provide Instruction to such Representatives Regarding Negotiation of an Amendment to The Grand at PPC Ground Sublease Between PPC, Inc. and Broadstone Papago Park LLC (Alliance Residential) Regarding Modification to the Option for Lot 5 and the Acceptance of Parkside Drive Road Improvements MITCHELL ROSEN
3. Request for Approval to Amend The Grand at PPC Ground Sublease between PPC, Inc. and Broadstone Papago Park LLC (Alliance Residential) to Modify the Option for Lot 5 and Accept Certain Parkside Drive Road Improvements MITCHELL ROSEN
4. Adjourn CHAIRMAN DAVID ROUSSEAU

The Board may vote during the meeting to go into Executive Session, pursuant to A.R.S. §38-431.03 (A)(3), for the purpose of discussion or consultation for legal advice with legal counsel to the Board on any of the matters listed on the agenda.

Visitors: All property in your possession, including purses, briefcases, packages or containers, will be subject to inspection.



**NOTICE WILL BE SENT REGARDING THE NEXT MEETING
OF THE BOARD OF DIRECTORS OF PAPAGO PARK CENTER, INC.**

MINUTES
BOARD OF DIRECTORS
PAPAGO PARK CENTER, INC.

DRAFT

August 3, 2020

A meeting of the Board of Directors of Papago Park Center, Inc. (PPC Inc.), an Arizona corporation, convened at 12:07 p.m. on Monday, August 3, 2020, via teleconference from the Geronimo Conference Room at the SRP Administration Building, 1500 North Mill Avenue, Tempe, Arizona. This meeting was conducted via teleconference in compliance with open meeting law guidelines.

Directors of PPC Inc. present at roll call via teleconference were David Rousseau, President of PPC Inc. and SRP; John R. Hoopes, Vice President of PPC Inc. and SRP; and Kevin J. Johnson, Mark V. Pace, and Leslie C. Williams of SRP.

Also present via teleconference were Brian J. Koch, Treasurer of PPC Inc. and Corporate Treasurer and Senior Director of Financial Services of SRP; John M. Felty, Secretary of PPC Inc. and Corporate Secretary of SRP; Lora F. Hobaica, Assistant Secretary of PPC Inc. and Assistant Corporate Secretary of SRP; Nina J. Mullins, Assistant Secretary of PPC Inc. and Senior Director of Land and PPC Inc. of SRP; Mitchell B. Rosen, Assistant Secretary and Designated Broker of PPC Inc. and Development Manager of PPC Inc. of SRP; Mmes. Melissa J. Burger, Catherine E. England, and Sue Ann Perkinson of SRP; and Messrs. Scott E. Erickson, Mike Hummel, Aidan J. McSheffrey, and Michael J. O'Connor of SRP.

In compliance with A.R.S. §38-431.02, Anaveli H. Sierras had posted a notice and agenda of the meeting of the Board of Directors of PPC Inc. at the SRP Administration Building, 1500 North Mill Avenue, Tempe, Arizona, at 9:00 a.m. on Friday, July 31, 2020.

Consent Agenda

President and Director D. Rousseau requested a motion for approval of the Consent Agenda, in its entirety.

On a motion duly made by Director M.V. Pace and seconded by President and Director D. Rousseau, the Board of Directors of PPC Inc. unanimously approved and adopted the following item on the Consent Agenda:

- Minutes of the PPC Inc. meeting on April 20, 2020, as presented.

Corporate Secretary J.M. Felty polled the Directors via teleconference on Director M.V. Pace's motion to approve the Consent Agenda, in its entirety. The vote was recorded as follows:

YES:	Directors David Rousseau, President; John R. Hoopes, Vice President; and Kevin J. Johnson, Mark V. Pace, and Leslie C. Williams	(5)
NO:	None	(0)
ABSTAINED:	None	(0)
ABSENT:	None	(0)

Treasurer's Report

Using a PowerPoint presentation, Scott E. Erickson, SRP Manager of Financial Systems and Controls, reviewed the cash basis budget versus actual comparison and expenses year-to-date through April 30, 2020; and the Accrual Basis Balance Sheet as of April 30, 2020.

Copies of the PowerPoint slides used in this presentation are on file in the SRP Corporate Secretary's Office and, by reference, made a part of these minutes.

The Grand at Papago Park Center Development Update

Using a PowerPoint presentation, Mitchell B. Rosen, Assistant Secretary and Designated Broker of PPC and Development Manager of PPC Inc. of SRP, stated that the purpose of the presentation was to provide an informational update regarding The Grand Development Project.

Mr. M.B. Rosen stated that the Lincoln Property Company/Goldman Sachs' second building was fully leased to DoorDash in December 2019, DoorDash has completed tenant improvements on floors six and seven, and a few DoorDash employees moved in on July 1, 2020. He said that tenant improvements on floors two, three, and eight of the nine-story building have started and will be completed in late 2020. Mr. M.B. Rosen presented photos and renderings of the Lincoln Property Company/Goldman Sachs' second building.

Continuing, Mr. M.B. Rosen reported that the construction of the Alliance Residential multi-family 300-unit project commenced in May 2018 and that the first phase, which is made up of 184 units, has been completed. He said that the remaining units will be completed in August 2020 and that the initial leasing is underway with 32.7% of the units (98 units) leased as of July 30, 2020. Mr. M.B. Rosen stated that the second phase of the Alliance multi-family project is anticipated to be completed in January 2022 and presented a photo of the Alliance Residential multi-family project.

In conclusion, Mr. M.B. Rosen stated that construction of the Roosevelt Dam water feature commenced in September 2018 and was completed in March 2020. He presented photos of the Roosevelt Dam water feature and two plaques, one honoring the PPC, Inc. Board Members and the other recognizing WET Design Group as the designer of the Roosevelt Dam Feature.

Copies of the PowerPoint slides used in this presentation are on file in the SRP Corporate Secretary’s Office and, by reference, made a part of these minutes.

Fiscal Year 2021 Election of Officers

Using a PowerPoint presentation, Mr. M.B. Rosen reminded the Board that pursuant to the Bylaws of PPC Inc., the officers of the corporation are elected on an annual basis. He stated that the proposed slate of officers included David Rousseau, President; John R. Hoopes, Vice President; Brian J. Koch, Treasurer; Dale R. Politi, Assistant Treasurer; John M. Felty, Secretary; Lora F. Hobaica, Assistant Secretary; Nina J. Mullins, Assistant Secretary; and Mitchell B. Rosen, Assistant Secretary and Designated Broker. Mr. M.B. Rosen concluded by recommending that the Board adopt a resolution which includes the slate of officers to serve in Fiscal Year 2021 (FY21).

On a motion duly made by Director M.V. Pace, seconded by Vice President and Director J.R. Hoopes and carried, the Board adopted the resolution as follows:

RESOLUTION

RESOLVED, that the following persons are hereby elected as officers of Papago Park Center, Inc. (PPC Inc.), to serve in their respective capacities in Fiscal Year 2021:

President	David Rousseau
Vice President	John R. Hoopes
Treasurer	Brian J. Koch
Assistant Treasurer	Dale R. Politi
Secretary	John M. Felty
Assistant Secretary	Lora F. Hobaica
Assistant Secretary	Nina J. Mullins
Assistant Secretary/ Designated Broker	Mitchell B. Rosen

Corporate Secretary J.M. Felty polled the Directors via teleconference on Director M.V. Pace’s motion for approval. The vote was recorded as follows:

YES:	Directors David Rousseau, President; John R. Hoopes, Vice President; and Kevin J. Johnson, Mark V. Pace, and Leslie C. Williams	(5)
NO:	None	(0)
ABSTAINED:	None	(0)
ABSENT:	None	(0)

Copies of the PowerPoint slides used in this presentation are on file in the SRP Corporate Secretary’s Office and, by reference, made a part of these minutes.

Appointment of Declarant Directors for Installation
on the Papago Park Center Association Board

Using a PowerPoint presentation, Mr. M.B. Rosen reminded the Board that the Papago Park Center Association (PPC Association) was formed to manage the landscape and maintenance of the common area of Papago Park Center. He stated that the Bylaws of the PPC Association provide for a Board of Directors comprised of up to six members. Mr. M.B. Rosen said that in accordance with Association Bylaws, the Association Board of Directors is comprised of four Directors appointed by PPC Inc. (Declarant Directors) and two Directors elected by the members of the PPC Association at its annual meeting (Member Directors).

Continuing, Mr. M.B. Rosen stated that the proposed slate of Declarant Directors to serve in FY21 consisted of David Rousseau, John R. Hoopes, Kevin J. Johnson, and Leslie C. Williams. He noted that the PPC Inc. Board had already authorized President D. Rousseau to vote the shares of PPC Inc. at the Annual Members Meeting directly following this meeting of the Board of Directors of PPC Inc. In addition, Mr. M.B. Rosen said that the PPC Association Board had previously nominated a proposed slate of Member Directors to be elected at the Annual Members Meeting. He concluded by recommending Board approval.

On a motion duly made by Director M.V. Pace, seconded by Director K.J. Johnson and carried, the Board appointed the following Declarant Directors to serve on the Board of Directors of the PPC Association in FY21:

- David Rousseau
- John R. Hoopes
- Kevin J. Johnson
- Leslie C. Williams

Corporate Secretary J.M. Felty polled the Directors via teleconference on Director M.V. Pace’s motion for approval. The vote was recorded as follows:

YES:	Directors David Rousseau, President; John R. Hoopes, Vice President; and Kevin J. Johnson, Mark V. Pace, and Leslie C. Williams	(5)
NO:	None	(0)
ABSTAINED:	None	(0)
ABSENT:	None	(0)

Copies of the PowerPoint slides used in this presentation are on file in the SRP Corporate Secretary’s Office and, by reference, made a part of these minutes.

Appointment of Declarant Directors for Installation on The Grand at Papago Park Center Association Board

Using a PowerPoint presentation, Mr. M.B. Rosen reminded the Board that The Grand at Papago Park Center Association (The Grand at PPC) was formed to maintain, care for, and repair any and all real or personal property owned or controlled by the Association, including the common areas and all improvements thereon; adopting and enforcing Association rules; establishing The Grand Design Review Committee; and fixing, determining, levying, and collecting assessments from the Members of Papago Park Center. He stated that the Bylaws of The Grand at PPC provide for a Board of Directors comprised of three Directors appointed by PPC Inc. (Declarant Directors).

Continuing, Mr. M.B. Rosen stated that the proposed slate of directors to serve in FY21 consisted of David Rousseau, John R. Hoopes, and Mark V. Pace. He concluded by recommending Board approval.

On a motion duly made by Director M.V. Pace, seconded by Vice President and Director J.R. Hoopes and carried, the Board appointed the following Declarant Directors to serve on the Board of Directors of The Grand at PPC in FY21:

David Rousseau
John R. Hoopes
Mark V. Pace

Corporate Secretary J.M. Felty polled the Directors via teleconference on Director M.V. Pace’s motion for approval. The vote was recorded as follows:

YES:	Directors David Rousseau, President; John R. Hoopes, Vice President; and Kevin J. Johnson, Mark V. Pace, and Leslie C. Williams	(5)
NO:	None	(0)
ABSTAINED:	None	(0)
ABSENT:	None	(0)

Copies of the PowerPoint slides used in this presentation are on file in the SRP Corporate Secretary’s Office and, by reference, made a part of these minutes.

Executive Session: Ground Sublease Between PPC Inc. and Broadstone Papago Park LLC

President and Director D. Rousseau requested an executive session of the Board of Directors of PPC Inc., pursuant to A.R.S. §38-431.03 (A)(7), for discussion and consultation with the designated representatives of PPC Inc. to consider the Board’s position and provide instruction to such representatives regarding negotiation of an amendment to The Grand at Papago Park Center Ground Sublease between PPC Inc.

and Broadstone Papago Park LLC (Alliance Residential) regarding the purchase of certain Parkside Drive Road improvements.

On a motion duly made by Director M.V. Pace, seconded by Vice President and Director J.R. Hoopes and carried, the Board convened into executive session at 12:27 p.m.

Corporate Secretary J.M. Felty polled the Directors via teleconference on Director M.V. Pace’s motion to enter into executive session of the Board of Directors of PPC Inc. The vote was recorded as follows:

YES:	Directors David Rousseau, President; John R. Hoopes, Vice President; and Kevin J. Johnson, Mark V. Pace, and Leslie C. Williams	(5)
NO:	None	(0)
ABSTAINED:	None	(0)
ABSENT:	None	(0)

The Board reconvened into open session at 12:56 p.m. with the following Members and others present: David Rousseau, President of PPC Inc. and SRP; John R. Hoopes, Vice President of PPC Inc. and SRP; Directors Kevin J. Johnson, Mark V. Pace, and Leslie C. Williams of PPC Inc. and SRP; Brian J. Koch, Treasurer of PPC Inc. and Corporate Treasurer and Senior Director of Financial Services of SRP; John M. Felty, Secretary of PPC Inc. and Corporate Secretary of SRP; Lora F. Hobaica, Assistant Secretary of PPC Inc. and Assistant Corporate Secretary of SRP; Nina J. Mullins, Assistant Secretary of PPC Inc. and Senior Director of Land and PPC Inc. of SRP; Mitchell B. Rosen, Assistant Secretary and Designated Broker of PPC Inc. and Development Manager of PPC Inc. of SRP; Mmes. Melissa J. Burger, Catherine E. England, and Sue Ann Perkinson of SRP; and Messrs. Scott E. Erickson, Mike Hummel, Aidan J. McSheffrey, and Michael J. O'Connor of SRP.

Amendment to the Ground Sublease
Between PPC Inc. and Broadstone Papago Park LLC

President and Director D. Rousseau tabled the agenda item regarding the amendment to the ground sublease between PPC Inc. and Broadstone Papago Park LLC.

Executive Session: Agreement to Sublease Unimproved
Real Property Between PPC Inc. and Papago Grand JV,
LLC (Lincoln Property Company / Goldman Sachs)

President and Director D. Rousseau requested an executive session of the Board of Directors of PPC Inc., pursuant to A.R.S. §38-431.03 (A)(7), for discussion and consultation with the designated representatives of PPC Inc. to consider the Board’s position and provide instruction to such representatives regarding negotiation of an

amendment to The Grand at Papago Park Center Agreement to Sublease Unimproved Real Property between PPC Inc. and Papago Grand JV, LLC (Lincoln Property Company / Goldman Sachs) regarding the Lot 2 (approximately 2.744 acres) option.

On a motion duly made by Director M.V. Pace, seconded by Vice President and Director J.R. Hoopes and carried, the Board convened into executive session at 12:57 p.m.

Corporate Secretary J.M. Felty polled the Directors via teleconference on Director M.V. Pace’s motion to enter into executive session of the Board of Directors of PPC Inc. The vote was recorded as follows:

- YES: Directors David Rousseau, President; John R. Hoopes, Vice President; and Kevin J. Johnson, Mark V. Pace, and Leslie C. Williams (5)
- NO: None (0)
- ABSTAINED: None (0)
- ABSENT: None (0)

The Board reconvened into open session at 1:05 p.m. with the following Members and others present: David Rousseau, President of PPC Inc. and SRP; John R. Hoopes, Vice President of PPC Inc. and SRP; Directors Kevin J. Johnson, Mark V. Pace, and Leslie C. Williams of PPC Inc. and SRP; Brian J. Koch, Treasurer of PPC Inc. and Corporate Treasurer and Senior Director of Financial Services of SRP; John M. Felty, Secretary of PPC Inc. and Corporate Secretary of SRP; Lora F. Hobaica, Assistant Secretary of PPC Inc. and Assistant Corporate Secretary of SRP; Nina J. Mullins, Assistant Secretary of PPC Inc. and Senior Director of Land and PPC Inc. of SRP; Mitchell B. Rosen, Assistant Secretary and Designated Broker of PPC Inc. and Development Manager of PPC Inc. of SRP; Mmes. Melissa J. Burger, Catherine E. England, and Sue Ann Perkinson of SRP; and Messrs. Scott E. Erickson, Mike Hummel, Aidan J. McSheffrey, and Michael J. O'Connor of SRP.

Amendment to Agreement to Sublease Unimproved Real Property Between PPC Inc. and Papago Grand JV, LLC (Lincoln Property Company / Goldman Sachs)

Using a PowerPoint presentation, Mr. M.B. Rosen stated that the purpose of the presentation was to request approval to amend the Agreement to Sublease unimproved real property between PPC Inc. and Lincoln Property Company / Goldman Sachs regarding the Lot 2 option totaling approximately 2.744 acres at The Grand at Papago Park Center and related documents, and to enter into any subsequent amendments to the sublease or related documents that do not materially modify their economic terms. He said that the approval also includes authorization for the President or Vice President, and the Secretary or Assistant Secretary, to execute and deliver the Amendment and related documents. Mr. M.B. Rosen reviewed the key terms of the proposed amended agreement.

On a motion duly made by Vice President and Director J.R. Hoopes, seconded by Director M.V. Pace and carried, the Board granted approval, as presented.

Corporate Secretary J.M. Felty polled the Directors via teleconference on Vice President and Director J.R. Hoopes' motion for approval. The vote was recorded as follows:

YES:	Directors David Rousseau, President; John R. Hoopes, Vice President; and Kevin J. Johnson, Mark V. Pace, and Leslie C. Williams	(5)
NO:	None	(0)
ABSTAINED:	None	(0)
ABSENT:	None	(0)

Copies of the PowerPoint slides used in this presentation are on file in the SRP Corporate Secretary's Office and, by reference, made a part of these minutes.

Susan Guerra of Chesnut Properties entered the meeting during the presentation.

There being no further business to come before the Board of Directors of PPC Inc., the meeting adjourned at 1:07 p.m.

John M. Felty
Secretary

Papago Park Center, Inc.



**Mitchell Rosen
Development Manager
February 1, 2021**

BOARD ACTION

Papago Park Center, Inc.



Proposed Amendment to the Ground Sublease

Key Terms:

- Reduced Alliance's option period for Lot 5 from 24 months to 12 months with an extension of 6 months if Alliance has spent at least \$100,000 on permitting.
- Release the \$542,865 in escrow to Alliance in exchange for Parkside Drive improvements and transfer rights to improvements to PPC.
- Provide a Reimbursement Agreement to Alliance for \$109,143 to be paid by future office development.
- If Alliance doesn't close on Lot 5, the Reimbursement Agreement terminates, and Alliance transfers its rights to the \$109,143 to PPC.



Instruction to PPC Management Regarding Negotiations

PPC management recommends and seeks:

Approval to amend the Ground Sublease with Broadstone Papago Park, LLC (Alliance) based on the Key Terms presented and enter into any subsequent amendments to the Sublease or related documents that do not materially modify their economic terms.



