

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

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**BOARD OF DIRECTORS MEETING  
Tuesday, April 15, 2025, No Sooner Than 9:45 AM**

**SRP Administration Building  
1500 N. Mill Avenue, Tempe, AZ 85288**

Directors: David Rousseau, President; Christopher Dobson, Vice President; 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 8, 2024
2. Review of the Treasurer’s Report ..... SCOTT ERICKSON
3. Request for Approval of Papago Park Center, Inc. Operating and Capital Budgets for Fiscal Year 2026.....MITCHELL ROSEN
4. The Grand at Papago Park Center Development Update .....MITCHELL ROSEN
5. 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: The public has the option to attend in-person or observe via Zoom and may receive teleconference information by contacting the Corporate Secretary’s Office at (602) 236-4398. If attending in-person, 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 8, 2024

A meeting of the Board of Directors of Papago Park Center, Inc. (PPC Inc.), an Arizona corporation, convened at 9:30 a.m. on Thursday, August 8, 2024, from the Hoopes Board Conference Room at the SRP Administration Building, 1500 North Mill Avenue, Tempe, Arizona. This meeting was conducted in-person and via teleconference in compliance with open meeting law guidelines.

Directors of PPC Inc. present at roll call were Christopher J. Dobson, Vice President of PPC Inc. and SRP; and Kevin J. Johnson, Mark V. Pace, and Leslie C. Williams of SRP.

Director of PPC Inc. absent at roll call was David Rousseau, President of PPC Inc. and SRP.

Also present were Mario J. Herrera and Kathy L. Mohr-Almeida, Directors of SRP; J. Rocky Shelton, Council Chairman of SRP; Colleen Resch-Geretti, Council Member of SRP; Jon W. Hubbard, Treasurer of PPC Inc. and Treasurer and Senior Director of Financial Operations and Compliance of SRP; Jason I. Riggs, Assistant Treasurer of PPC Inc. and Director and Assistance Treasurer of Treasury Operations and Compliance 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 of SRP; Mmes. Irene R. Avalos, Melissa J. Burger and Sue Ann Perkinson of SRP; and Messrs. Jayson B. Carpenter, Scott E. Erickson, Brian J. Koch, Ken J. Lee, Michael J. O'Connor, and Jim M. Pratt of SRP.

In compliance with A.R.S. §38-431.02, Andrew Davis 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 Thursday, August 6, 2024.

Vice President and Director C.J. Dobson served as Chairman.

Consent Agenda

Vice President and Director C.J. Dobson requested a motion for approval of the Consent Agenda, in its entirety.

On a motion duly made by Director K.J. Johnson and seconded by Director M.V. Pace, 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 11, 2024, as presented.

Secretary J.M. Felty polled the Directors on Director K.J. Johnson’s motion to approve the Consent Agenda, in its entirety. The vote was recorded as follows:

YES:	Directors Christopher J. Dobson, Vice President; and Kevin J. Johnson, Mark V. Pace, and Leslie C. Williams	(4)
NO:	None	(0)
ABSTAINED:	None	(0)
ABSENT:	Director David Rousseau, President	(1)

Treasurer’s Report

Using a PowerPoint presentation, Scott E. Erickson, SRP Senior Manager of Financial Systems and Controls, reviewed the cash basis budget versus actual comparison and expenses year-to-date through April 30, 2024; and the Accrual Basis Balance Sheet as of April 30, 2024.

Mr. S.E. Erickson responded to questions from the Board.

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.

Sandra D. Kennedy, Director of SRP; and Jackie Kennedy, a member of the public, entered the meeting during the report.

The Grand at Papago Park Center  
Development Update

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

Mr. M.B. Rosen provided a rendering and an ariel view of Lot 5 sited for the Alliance Residential’s 290-unit multi-family project. He said that on June 21, 2022, the PPC Inc. Board agreed to extend the option period from August 6, 2022 to December 6, 2022, for \$279,125. Mr. M.B. Rosen said that PPC Inc. has been having bi-monthly meetings with Alliance Residential and that Alliance Residential has spent approximately \$3 million on drawings, extensions, and permits. He provided the following details of the lease between PPC Inc. and Alliance Residential: 1) the lease has been reviewed by Alliance Residential’s lender (PNC Bank); 2) market conditions indicate 12,000 new

units leased in first and second quarters; 3) expect 24,000 new units leased in 2024 with 15,000 new units delivered to the market; and 4) it's anticipated the lease will be signed and construction will start in the first quarter of 2025.

In conclusion, Mr. M.B. Rosen provided renderings of The Grand at Papago Park Center highlighting Lot 7B, along with the Lot 7 PAD Amendment (262 units); and the ISB rezoning to MU-4 (988 units).

Mr. M.B. Rosen responded to questions from the Board.

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 2025 (FY25) 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; Christopher J. Dobson, Vice President; Jon W. Hubbard, Treasurer; Jason I. Riggs, 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 FY25.

On a motion duly made by Director M.V. Pace, seconded by Director K.J. Johnson 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 2025:

President	David Rousseau
Vice President	Christopher J. Dobson
Treasurer	Jon W. Hubbard
Assistant Treasurer	Jason I. Riggs
Secretary	John M. Felty
Assistant Secretary	Lora F. Hobaica
Assistant Secretary	Nina J. Mullins
Assistant Secretary/ Designated Broker	Mitchell B. Rosen

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

YES: Directors Christopher J. Dobson, Vice President; and Kevin J. Johnson, Mark V. Pace, and Leslie C. Williams (4)  
 NO: None (0)  
 ABSTAINED: None (0)  
 ABSENT: Director David Rousseau, President (1)

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 (PPC Association) Board

Using a PowerPoint presentation, Mr. M.B. Rosen reminded the Board that the 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 – 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 FY25 consisted of David Rousseau, Christopher J. Dobson, 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. (by proxy) 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 FY25:

David Rousseau  
 Christopher J. Dobson  
 Kevin J. Johnson  
 Leslie C. Williams

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

YES: Directors Christopher J. Dobson, Vice President; and Kevin J. Johnson, Mark V. Pace, and Leslie C. Williams (4)  
 NO: None (0)  
 ABSTAINED: None (0)  
 ABSENT: Director David Rousseau, President (1)

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  
(The Grand at PPC) Board

Using a PowerPoint presentation, Mr. M.B. Rosen reminded the Board that The Grand at PPC was formed to maintain, care for, and repair any and all real or personal property owned or controlled by the PPC Association, including the common areas and all improvements thereon; adopting and enforcing PPC 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 FY25 consisted of David Rousseau, Christopher J. Dobson, and Mark V. Pace. 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 Grand at PPC in FY25:

David Rousseau  
Christopher J. Dobson  
Mark V. Pace

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

YES:	Directors Christopher J. Dobson, Vice President; and Kevin J. Johnson, Mark V. Pace, and Leslie C. Williams	(4)
NO:	None	(0)
ABSTAINED:	None	(0)
ABSENT:	Director David Rousseau, President	(1)

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.

There being no further business to come before the Board of Directors of PPC Inc., the meeting adjourned at 10:54 a.m.

John M. Felty  
Secretary





# Papago Park Center, Inc.

## Treasurer's Report



**Scott Erickson**

Corporate Accounting Services

*April 15, 2025*

# Agenda

## Papago Park Center, Inc.

### Year-to-date through January 31, 2025

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- Income Statement
  - Operating Income
  - Operating Expenses
  - Master Ground Lease
  
- Capital Expenditures
  
- Balance Sheet



# Income Statement

**Papago Park Center, Inc.**  
**Income Statement**  
**Year-to-date through January 31, 2025**

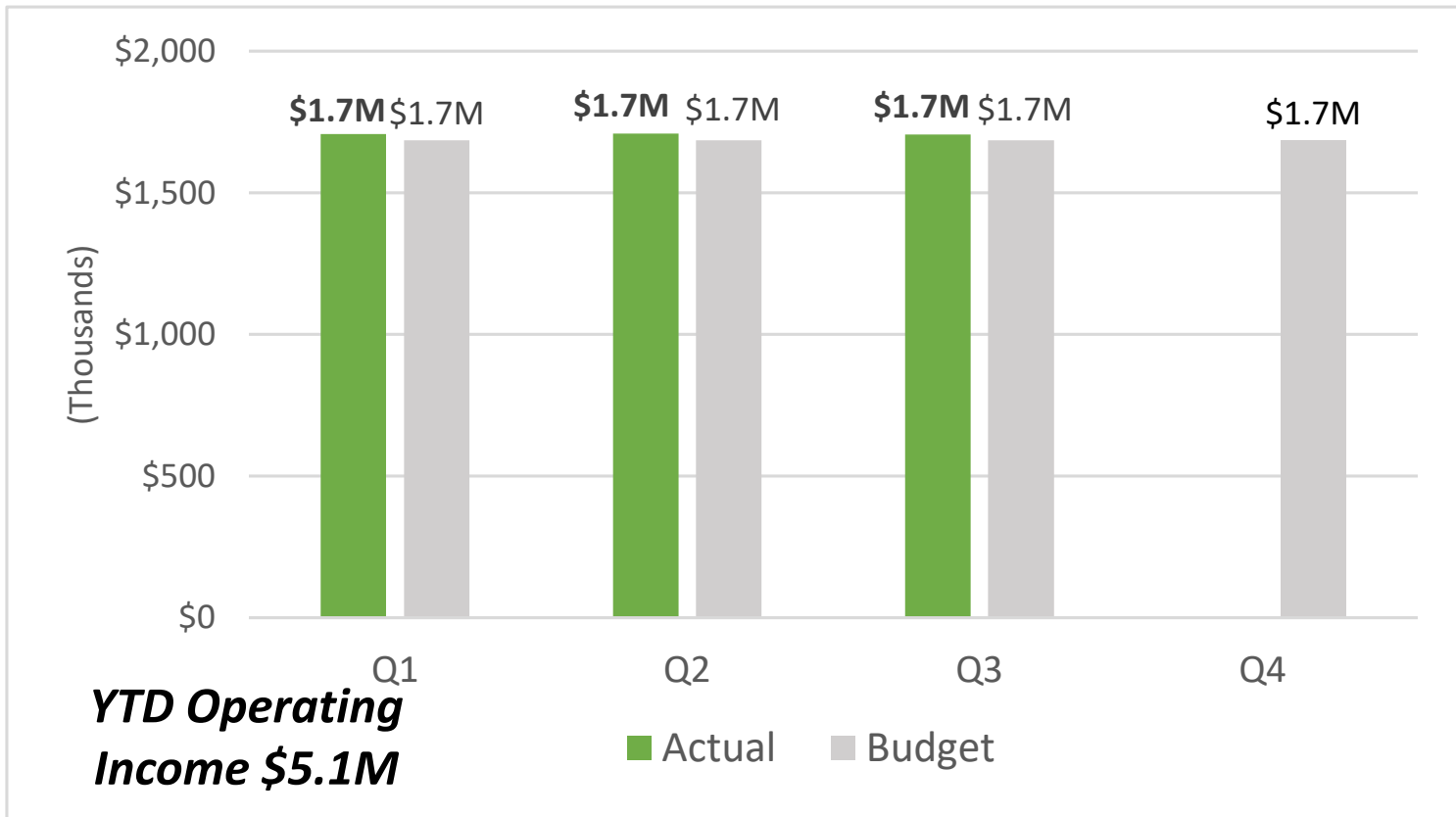
(Thousands)	<u>Actual</u>	<u>Budget</u>	<u>\$-Variance</u>
Operating Income	\$ 5,124	\$ 5,055	\$ 69
Operating Expenses	5,728	5,762	(34)
Net Operating Income (Loss)	<u>(604)</u>	<u>(707)</u>	103
Other Income and Expenses	171	173	(2)
Net Income (Loss) before Income Taxes	<u>(433)</u>	<u>(534)</u>	101
Income Tax Expense	87	86	1
Net Income (Loss) after Income Taxes	<u>\$ (520)</u>	<u>\$ (620)</u>	<u>\$ 100</u>



# Papago Park Center, Inc.

## Operating Income

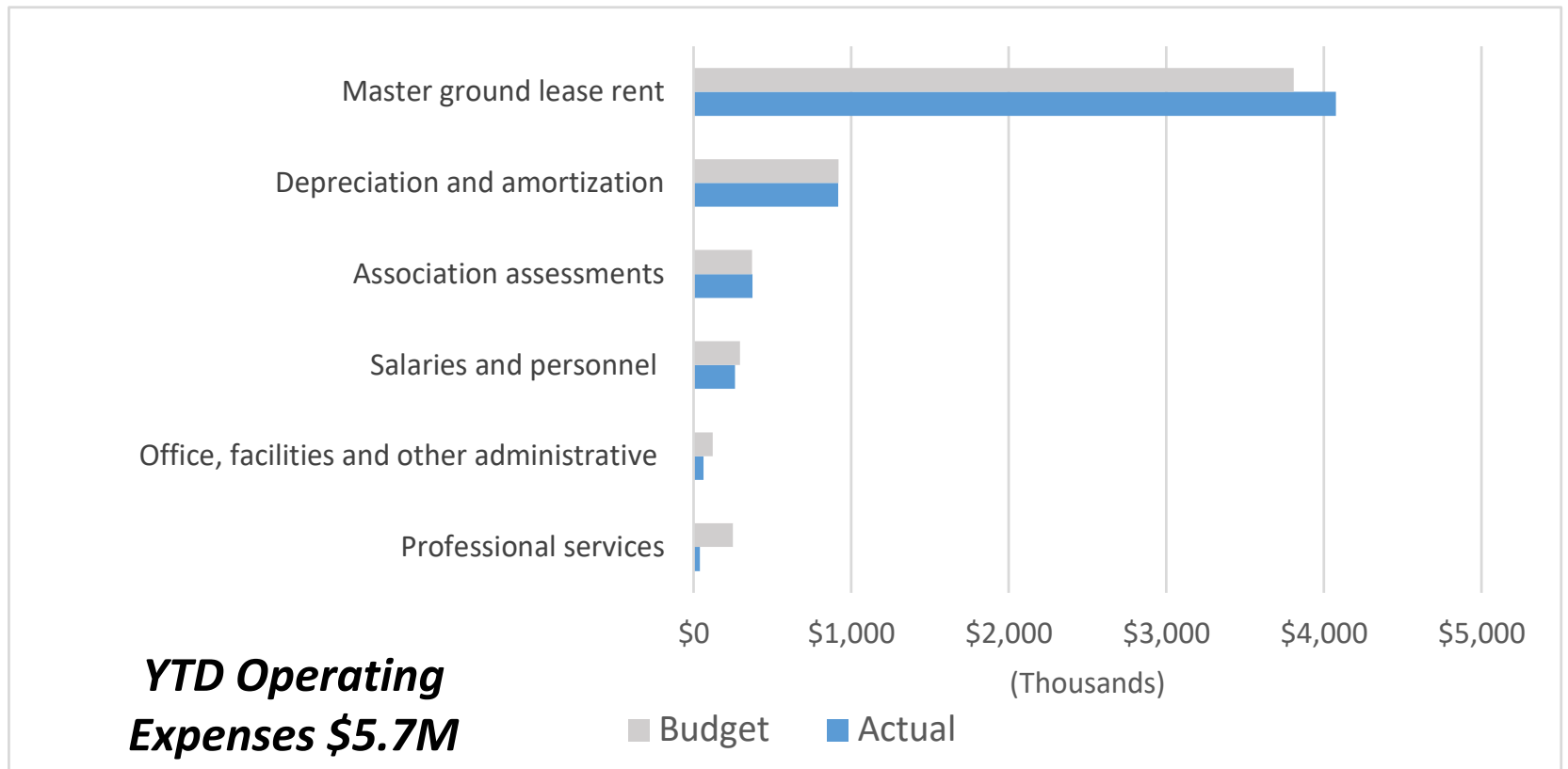
### Year-to-date through January 31, 2025



# Papago Park Center, Inc.

## Operating Expenses – Budget v. Actual

### Year-to-date through January 31, 2025



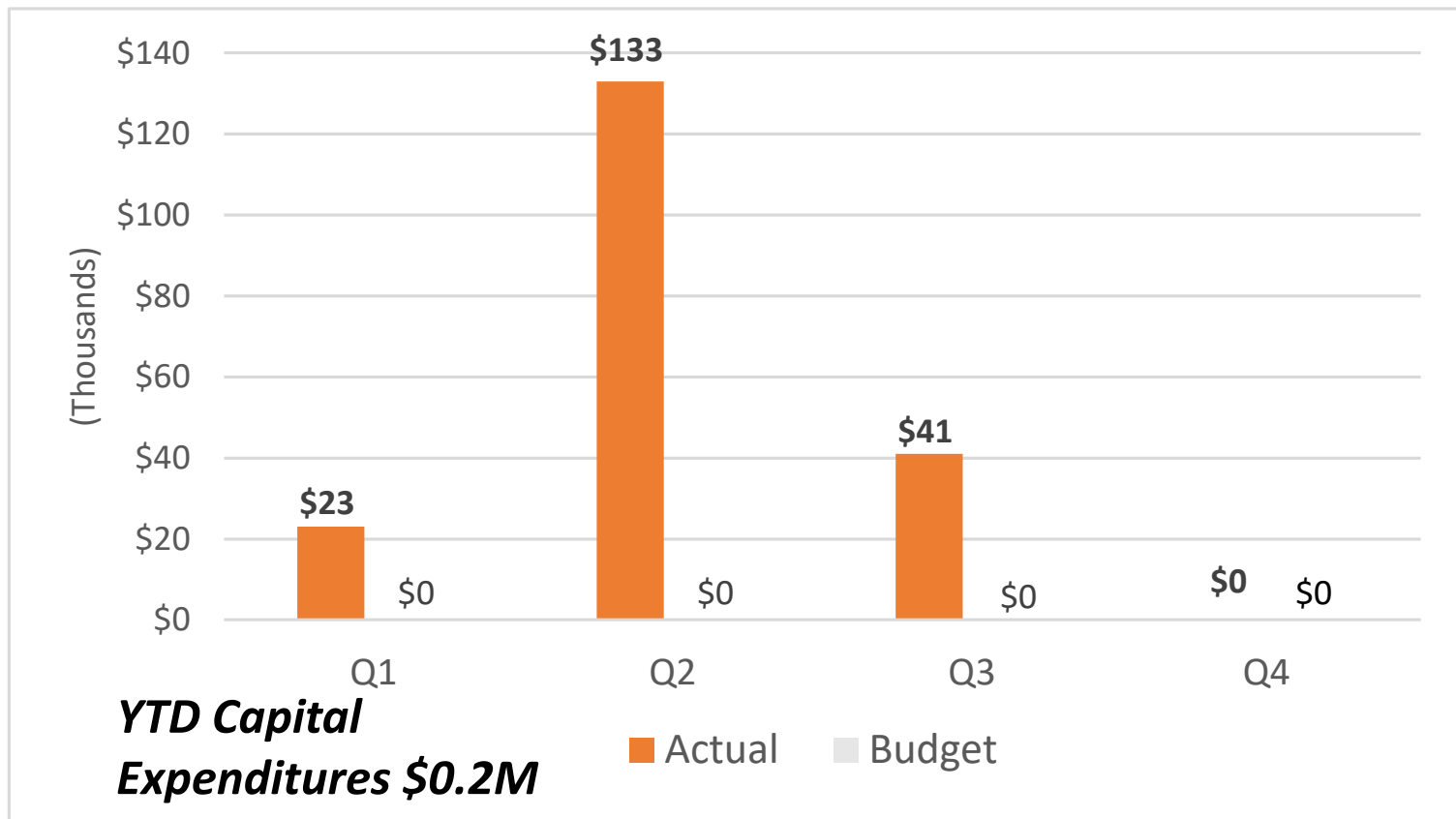
# Capital Expenditures



# Papago Park Center, Inc.

## Capital Expenditures

### Year-to-date through January 31, 2025



# Balance Sheets

## Papago Park Center, Inc. Balance Sheets

(Thousands)	1/31/2025	4/30/2024	\$-Change	%-Change
Current assets	\$ 7,875	\$ 7,857	\$ 18	0.2%
Fixed assets, net	23,042	23,739	(697)	-2.9%
Other assets	738	761	(23)	-3.0%
<b>Total Assets</b>	<b>\$ 31,655</b>	<b>\$ 32,357</b>	<b>\$ (702)</b>	<b>-2.2%</b>
Accrued liabilities	\$ 1,309	\$ 1,565	\$ (256)	-16.4%
Unearned revenue	6,481	6,465	16	0.2%
Other liabilities	1,406	1,348	58	4.3%
<b>Total Liabilities</b>	<b>9,196</b>	<b>9,378</b>	<b>(182)</b>	<b>-1.9%</b>
Shareholder Equity	22,459	22,979	(520)	-2.3%
<b>Total Liabilities &amp; Shareholders' Equity</b>	<b>\$ 31,655</b>	<b>\$ 32,357</b>	<b>\$ (702)</b>	<b>-2.2%</b>





# Papago Park Center, Inc.



**Mitchell Rosen**  
Development Manager  
*April 15, 2025*

# Papago Park Center, Inc. Operating & Capital Budgets

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- PPC management recommends approval of the FY26 Operating & Capital Budgets



# Papago Park Center, Inc. Operating & Capital Budgets

## PPC Inc. FY26 Budget

(in Thousands)

	FY26 Budget	FY25 Budget	\$ Variance
<b>OPERATING INCOME</b>			
Land Lease	\$6,908	\$6,740	\$168
<b>OPERATING EXPENSES</b>			
Master Ground Lease Rent	5,080	5,079	1
Professional Services	446	332	114
Salaries and Personnel	375	390	(15)
Association Assessments	520	495	25
Office, Facilities, Other Administrative	154	161	(7)
Depreciation and Amortization	1,231	1,225	6
Total Operating Expenses	7,806	7,682	124
<b>Net Operating Income (Loss)</b>	<b>(898)</b>	<b>(942)</b>	<b>44</b>
<b>OTHER INCOME AND EXPENSES</b>			
Interest Income	180	230	(50)
<b>Net Operating Income (Loss) Before Taxes</b>	<b>(\$718)</b>	<b>(\$712)</b>	<b>(\$6)</b>
<b>CAPITAL EXPENDITURES*</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

\*Approximately \$2.4M anticipated for future capital projects



# Papago Park Center, Inc. Operating & Capital Budgets

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## Board Action Recommended

- PPC management recommends approval of the FY26 Operating & Capital Budgets







# Papago Park Center, Inc.



**Mitchell Rosen**  
Development Manager  
*April 15, 2025*

# The Grand Development Update

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## Provide updates on the following:

- Alliance Residential's 290-unit multi-family project on Lot 5
- Lincoln Property Company's options on Lots 2 and 12
- Rezoning of Lot 7 from office to 262 units of multi-family



# Alliance Residential – National Ranking



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- Networking
- Events
- News
- Industry Topics
- Membership
- Housing Help Hub

2023 Rankings

## NMHC 25 Largest Developers

Explore other Top Lists  
Download data sheet of list

Developer Rank 2023	Developer Rank 2022	Company Name	Units Started 2022	Units Started 2021	Corporate Officer	HQ City	HQ State
1	2	Alliance Residential	13,480	11,739	Jay Hiemenz	Scottsdale	AZ
2	1	Greystar Real Estate Partners, LLC	11,351	14,047	Robert A. Faith	Charleston	SC
3	3	Mill Creek Residential	10,877	7,283	William C. MacDonald	Boca Raton	FL
4	4	Wood Partners	10,650	7,242	Joe Keough & Patrick Trask	Atlanta	GA
5	5	Trammell Crow Residential	9,030	6,602	Ken Valach & Kevin Dinnie	Dallas	TX



# The Grand Development Update

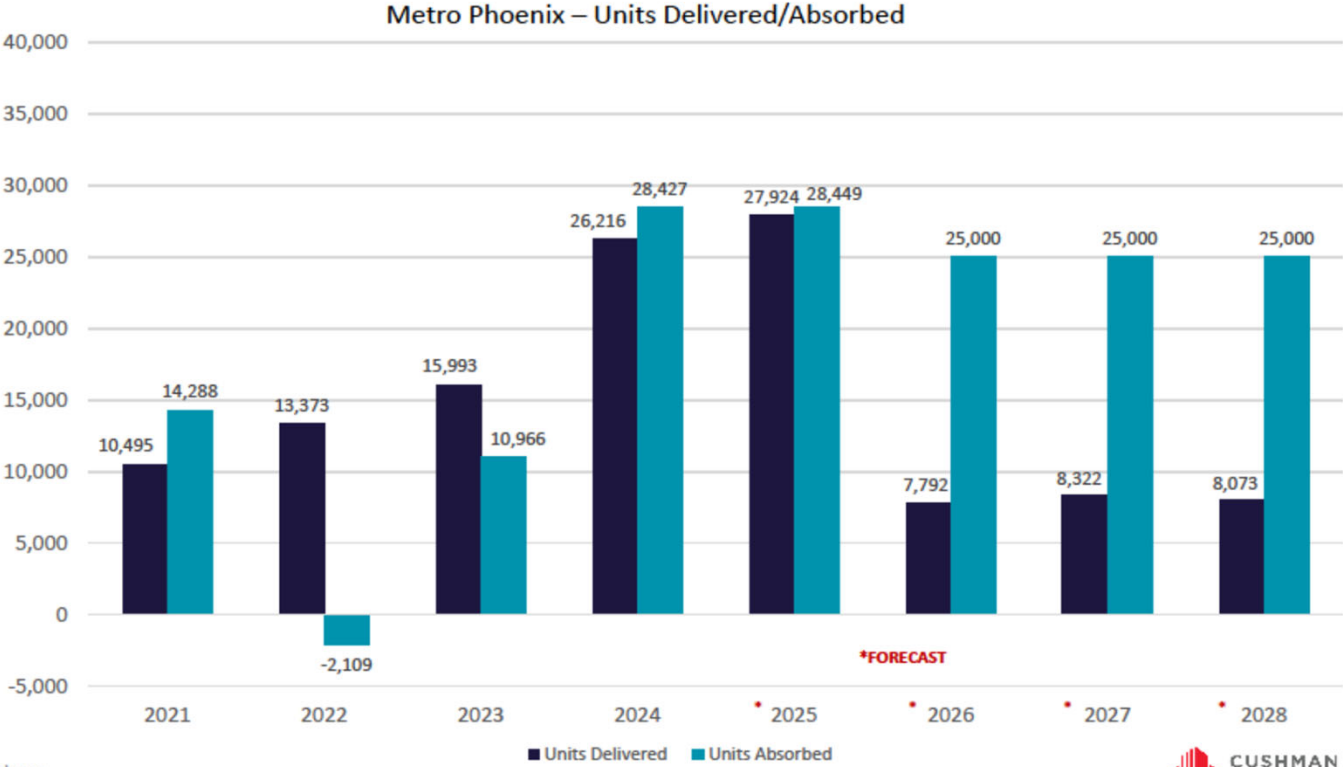
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## Alliance Residential

- Loan documents with lender (PNC Bank) reviewed. Alliance spent \$2.5M on entitlement, construction drawings, other costs
- Construction cost have been a challenge:
  - Alliance buying window packages and appliances nationally = Cost savings of \$1M
  - Parking structure cost down from \$6.5M to \$5.95M = Cost savings of \$550,000
  - Lumber package down from \$10.5M to \$9.7M = Cost Savings of \$800,000
  - Combined budget savings of \$2.35M
- Perceived oversupply of units in Phoenix Metro area



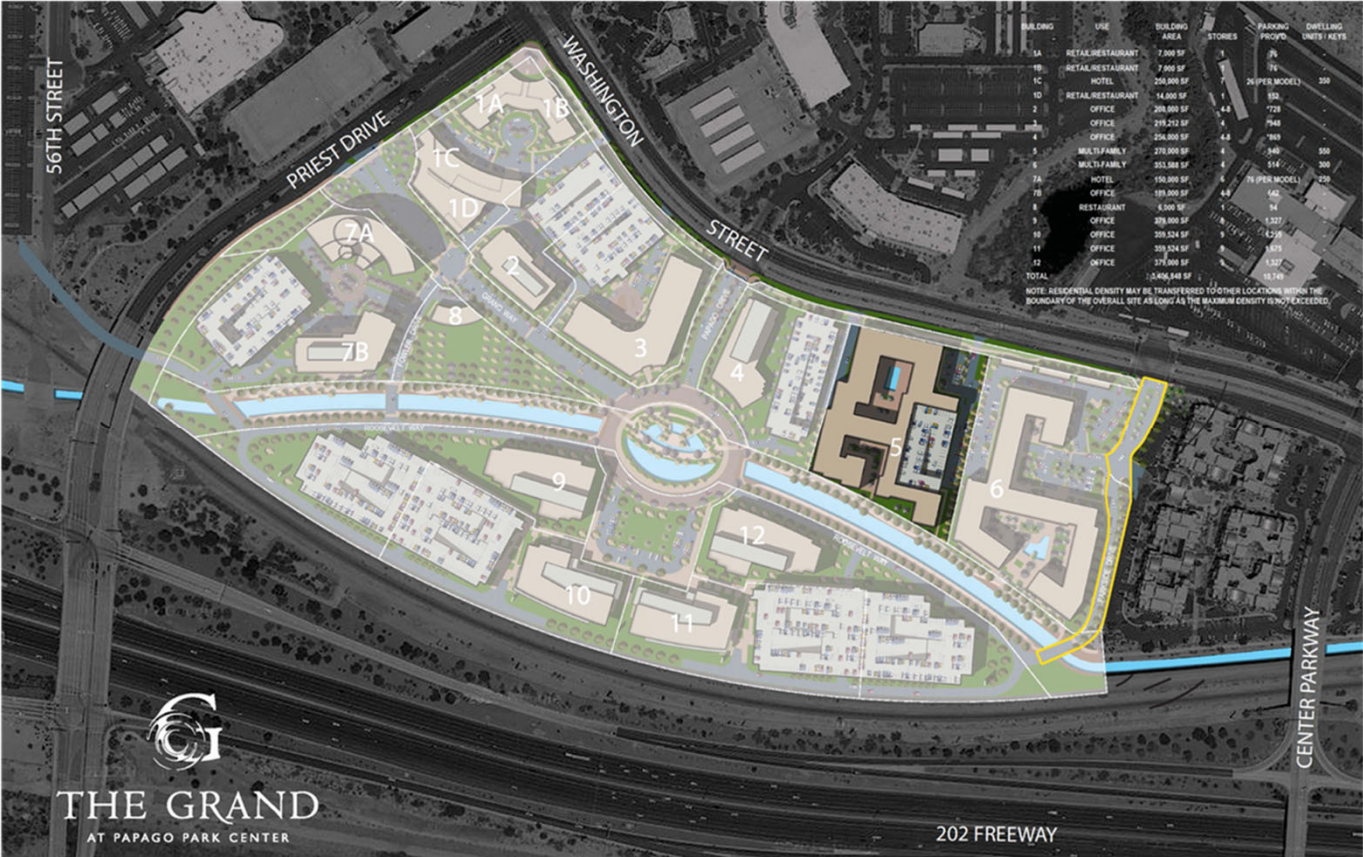
# The Grand Development Update



\*Source: Realpage



# The Grand Site Map – Lot 5



04/15/2025

Papago Park Center, Inc. M.B. Rosen



# The Grand Site Map – Lot 5 Elevation



04/15/2025

Papago Park Center, Inc. M.B. Rosen





# The Grand Development Update

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## Lincoln Property Company (“LPC”)

- At the August 3, 2023, board meeting PPC, Inc.’s Board extended an option to LPC on Lots 2 and 12 through December 31, 2025 (29 months)
- LPC has an option to extend 12 months, to December 31, 2026, by assigning an additional \$100,000 of the Roosevelt Way East future reimbursement to PPC, Inc.
- Continue to monitor office market demand



# The Grand Site Map – Lots 2 and 12



**THE GRAND**  
AT PAPAGO PARK CENTER

202 FREEWAY

# The Grand Site Map for Lot 7 – 262 units approved



04/15/2025

Papago Park Center, Inc. M.B. Rosen



