

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

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**BOARD OF DIRECTORS MEETING  
Thursday, August 7, 2025, No Sooner Than 9:55 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..... CHAIR DAVID ROUSSEAU

- Request for approval of the minutes for the meeting of April 15, 2025.

2. Review of the Treasurer's Report ..... SCOTT ERICKSON
3. The Grand at Papago Park Center Development Update ..... MITCHELL ROSEN
4. Papago Park Center Inc. Officers for Fiscal Year 2026 ..... MITCHELL ROSEN

Request for approval of the Papago Park Center (PPC), Inc. Officers for Fiscal Year 2026 (FY26): 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; and Assistant Secretary and Designated Broker: Mitchell B. Rosen.

5. Declarant Directors for the Board of PPC Association ..... MITCHELL ROSEN

Request for approval of the appointment of four Declarant Directors to serve on the PPC Association Board for FY26: David Rousseau, Christopher J. Dobson, Kevin J. Johnson, and Leslie C. Williams.

6. Declarant Directors for the Board of The Grand at PPC Association  
..... MITCHELL ROSEN

Request for approval of the appointment of three Declarant Directors to serve on The Grand at PPC Association Board for FY26: David Rousseau, Christopher J. Dobson, and Mark V. Pace.

7. Adjourn ..... CHAIR 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.**

07/31/2025



MINUTES  
BOARD OF DIRECTORS  
PAPAGO PARK CENTER, INC.

**DRAFT**

April 15, 2025

A meeting of the Board of Directors of Papago Park Center, Inc. (PPC Inc.), an Arizona corporation, convened at 10:12 a.m. on Tuesday, April 15, 2025, 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 David Rousseau, President of PPC Inc. and SRP; Christopher J. Dobson, Vice President of PPC Inc. and SRP; and Kevin J. Johnson, Mark V. Pace, and Leslie C. Williams of SRP.

Also present were Sandra D. Kennedy, Director of SRP; J. Rocky Shelton, Council Chair 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 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 Inc. of SRP; Irene R. Avalos, Melissa J. Burger, Jayson B. Carpenter, Scott E. Erickson, Sue Ann Perkinson, Jim M. Pratt, and Alex A. Tapia of SRP; and Pam Collins of G&M AZ Management Company, LLC.

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 Friday, April 11, 2025.

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 Director K.J. Johnson, 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 August 8, 2024, as presented.

Secretary J.M. Felty polled the Directors on Director M.V. Pace's motion to approve the minutes for the meeting of August 8, 2024. The vote was recorded as follows:

YES:	Directors David Rousseau, President; Christopher J. Dobson, 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 Senior Manager of Financial Systems and Controls, reviewed the Cash Basis Budget versus Actual Comparison and expenses year-to-date through January 31, 2025; the Accrual Basis Balance Sheet as of January 31, 2025; and the Cash versus Accrual Comparison for the fiscal year-to-date through January 31, 2025.

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.

Michale J. O'Connor of SRP entered the meeting during the report.

### Fiscal Year 2026 (FY26) Operating and Capital Budgets

Using a PowerPoint presentation, Mitchell B. Rosen, Assistant Secretary and Designated Broker of PPC Inc. and Development Manager of PPC Inc. of SRP, reviewed the key elements of the proposed FY26 Operating Budget for PPC Inc. and compared the variances with the FY25 Operating Budget. Continuing, they reviewed the details of the PPC Inc. Capital Budget and stated that the proposed capital costs will be \$2,400,000 in FY26.

M.B. Rosen concluded by recommending approval of the proposed FY26 Operating and Capital Budgets, as presented.

On a motion duly made by Vice President and Director C.J. Dobson, seconded by Director M.V. Pace and carried, the PPC Inc. Board granted approval, as recommended by Management.

Secretary J.M. Felty polled the Directors on Vice President and Director C.J. Dobson's motion to approve the FY26 Operating and Capital Budgets, as presented. The vote was recorded as follows:

YES:	Directors David Rousseau, President; Christopher J. Dobson, 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.

The Grand at Papago Park Center Development Update

Using a PowerPoint presentation, M.B. Rosen stated that the purpose of the presentation was to provide an update regarding the development at The Grand at Papago Park Center.

M.B. Rosen presented the 2023 rankings from the National Multifamily Housing Council (NMHC) for the largest developers and highlighted that Alliance Residential ranked number one. They provided the following update regarding Alliance Residential: 1) loan documents have been reviewed by its lender, PNC Bank; 2) spent \$2.5 million on entitlement, construction drawings, and other costs; 3) projecting a combined construction budget savings of \$2.35 million on window packages, appliances, parking structure, and lumber package; and 4) is perceiving an oversupply of units in the Phoenix metro area.

M.B. Rosen provided a comparison of units delivered versus units absorbed in the metro Phoenix area from 2021 projected through 2028. They provided renderings of The Grand at Papago Park Center highlighting Lot 5 and Lot elevation.

M.B. Rosen reminded the PPC Inc. Board of Directors that on August 3, 2023, they extended an option to Lincoln Property Company (LPC) on Lots 2 and 12 through December 31, 2025, a total of 29 months. They stated that LPC has an option to extend for an additional 12 months, to December 31, 2026, by assigning an additional \$100,000 of the Roosevelt Way East future reimbursement to PPC Inc. M.B. Rosen reported that PPC Inc. continues to monitor the office market demand. They provided a rendering aerial of The Grand at Papago Park Center highlighting Lots 2 and 12, along with a rendering of The Grand at Papago Park Center for Lot 7 – 262 approved units.

M.B. Rosen responded to questions from the PPC Inc. Board of Directors.

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.

Alex A. Tapia of SRP left the meeting during the presentation. Reuben T. Judd of SRP 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 10:40 a.m.

John M. Felty  
Secretary





# Papago Park Center, Inc.

## Treasurer's Report



**Scott Erickson**

Corporate Accounting Services

*August 7, 2025*

# **Agenda**

## **Papago Park Center, Inc.**

### **Year-to-date through April 30, 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 April 30, 2025

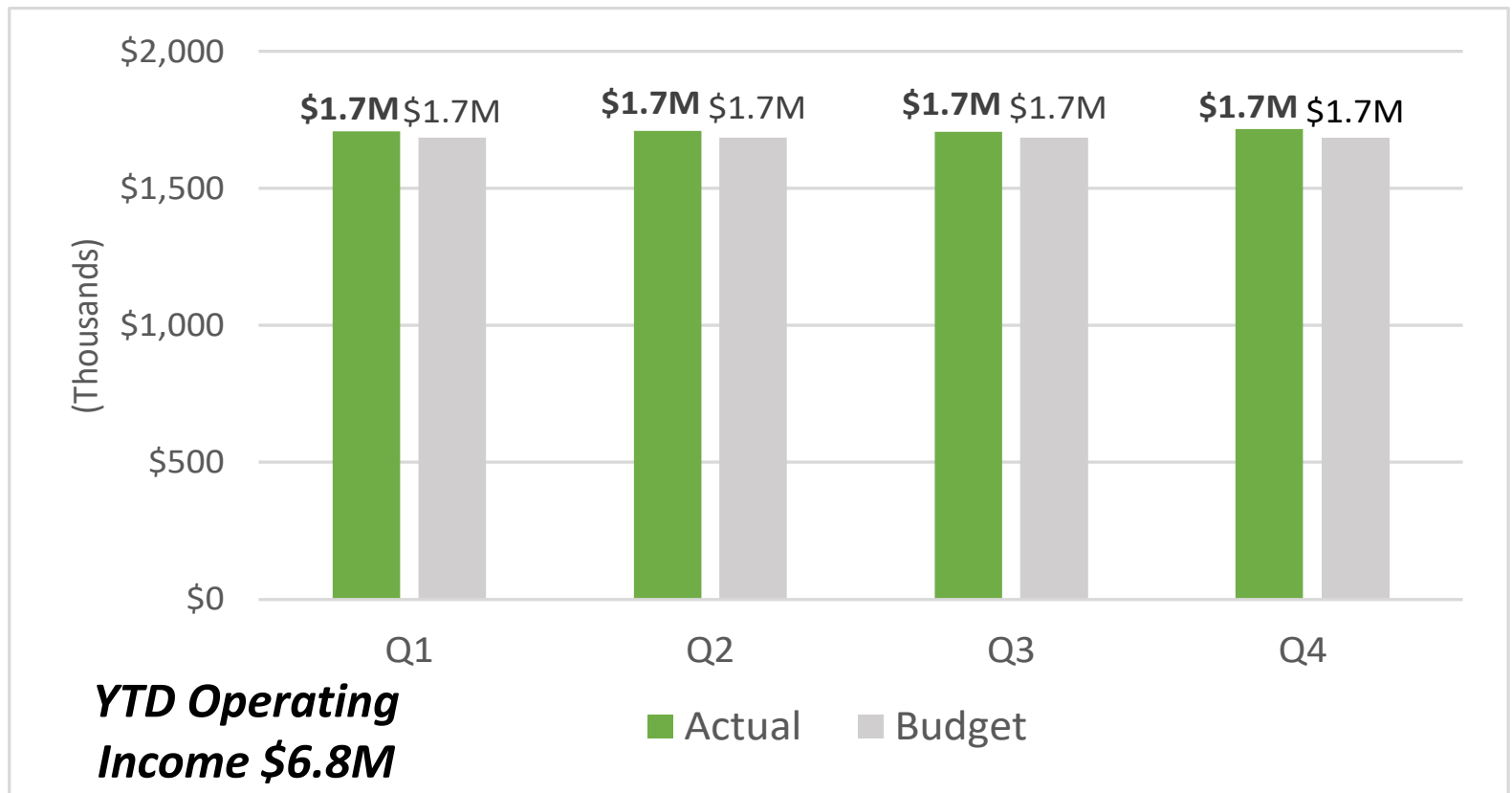
(Thousands)	<u>Actual</u>	<u>Budget</u>	<u>\$-Variance</u>
Operating Income	\$ 6,841	\$ 6,740	\$ 101
Operating Expenses	7,759	7,682	77
Net Operating Income (Loss)	<u>(918)</u>	<u>(942)</u>	<u>24</u>
Other Income and Expenses	221	230	(9)
Net Income (Loss) before Income Taxes	<u>(697)</u>	<u>(712)</u>	<u>15</u>
Income Tax Expense	148	115	33
Net Income (Loss) after Income Taxes	<u><u>\$ (845)</u></u>	<u><u>\$ (827)</u></u>	<u><u>\$ (18)</u></u>



# Papago Park Center, Inc.

## Operating Income

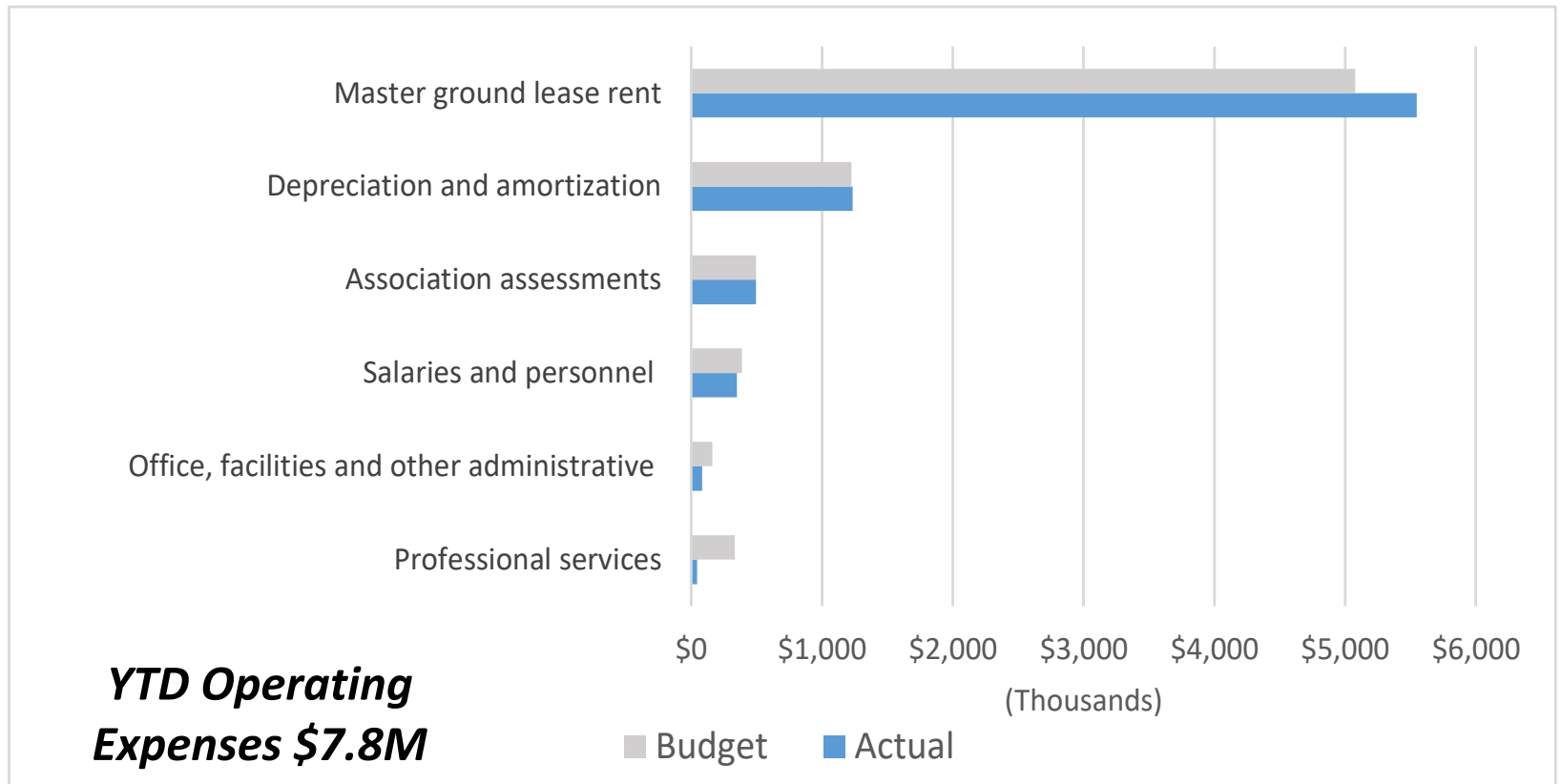
### Year-to-date through April 30, 2025



# Papago Park Center, Inc.

## Operating Expenses – Budget v. Actual

### Year-to-date through April 30, 2025

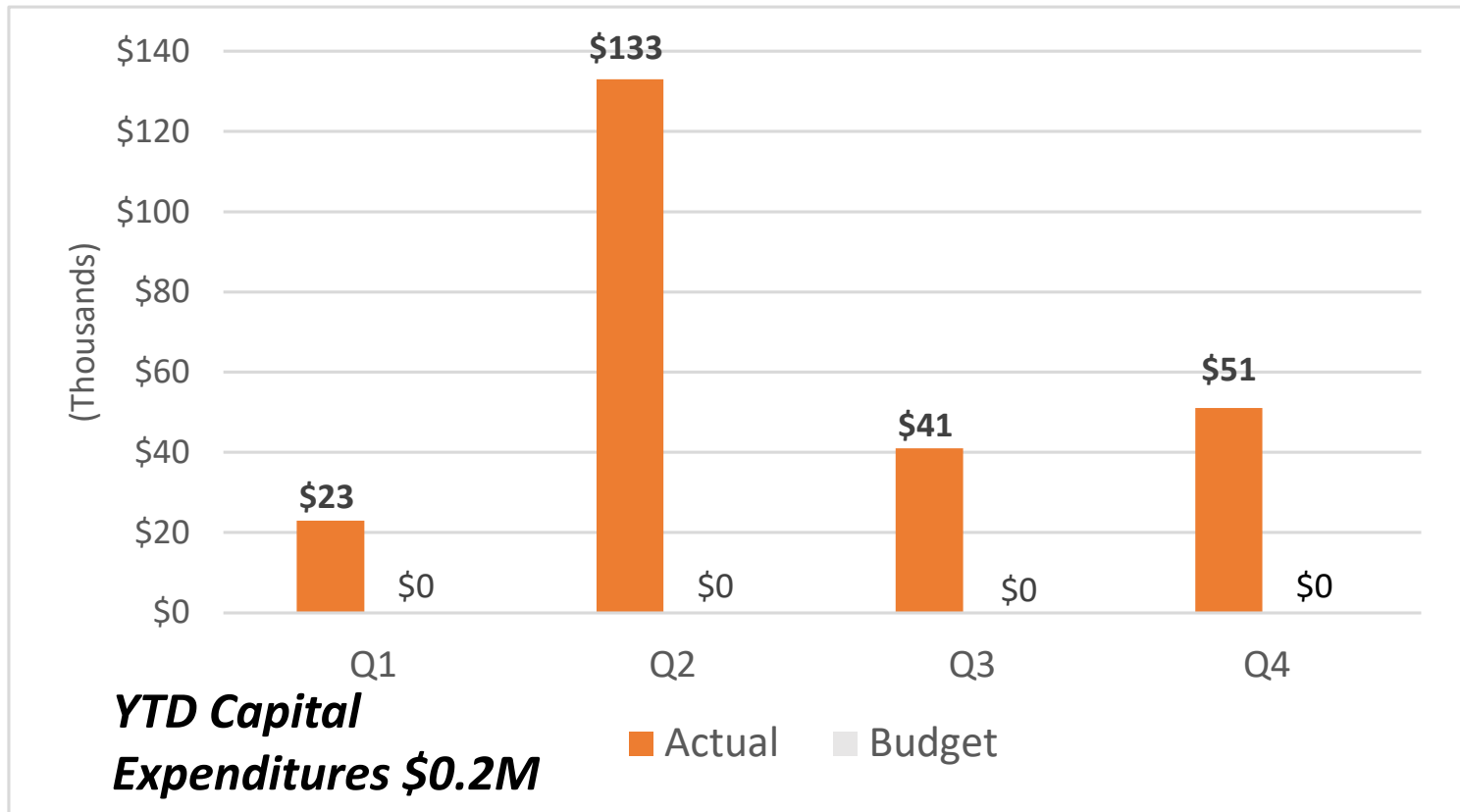


# Capital Expenditures

# Papago Park Center, Inc.

## Capital Expenditures

### Year-to-date through April 30, 2025





# Balance Sheets

## Papago Park Center, Inc. Balance Sheets

(Thousands)	4/30/2025	4/30/2024	\$-Change	%-Change
Current assets	\$ 8,147	\$ 7,857	\$ 290	3.7%
Fixed assets, net	22,792	23,739	(947)	-4.0%
Other assets	750	761	(11)	-1.4%
<b>Total Assets</b>	<b>\$ 31,689</b>	<b>\$ 32,357</b>	<b>\$ (668)</b>	<b>-2.1%</b>
Accrued liabilities	\$ 1,731	\$ 1,565	\$ 166	10.6%
Unearned revenue	6,354	6,465	(111)	-1.7%
Other liabilities	1,470	1,348	122	9.1%
<b>Total Liabilities</b>	<b>9,555</b>	<b>9,378</b>	<b>177</b>	<b>1.9%</b>
Shareholder Equity	22,134	22,979	(845)	-3.7%
<b>Total Liabilities &amp; Shareholders' Equity</b>	<b>\$ 31,689</b>	<b>\$ 32,357</b>	<b>\$ (668)</b>	<b>-2.1%</b>





# Papago Park Center, Inc.



**Mitchell Rosen**

Development Manager

*August 7, 2025*

# The Grand at Papago Park Center Development

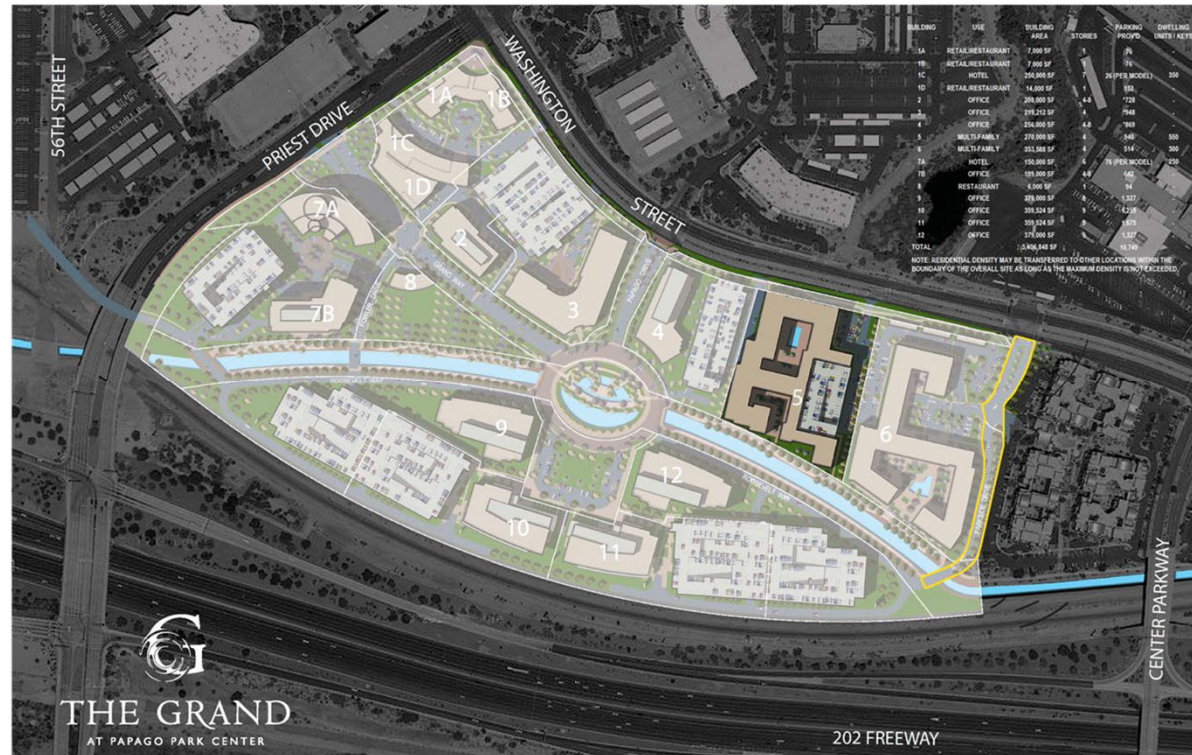
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## Provide updates on the following:

- Alliance Residential's 290-unit multi-family project on Lot 5
- Lincoln Property Company's options on Lots 2 and 12



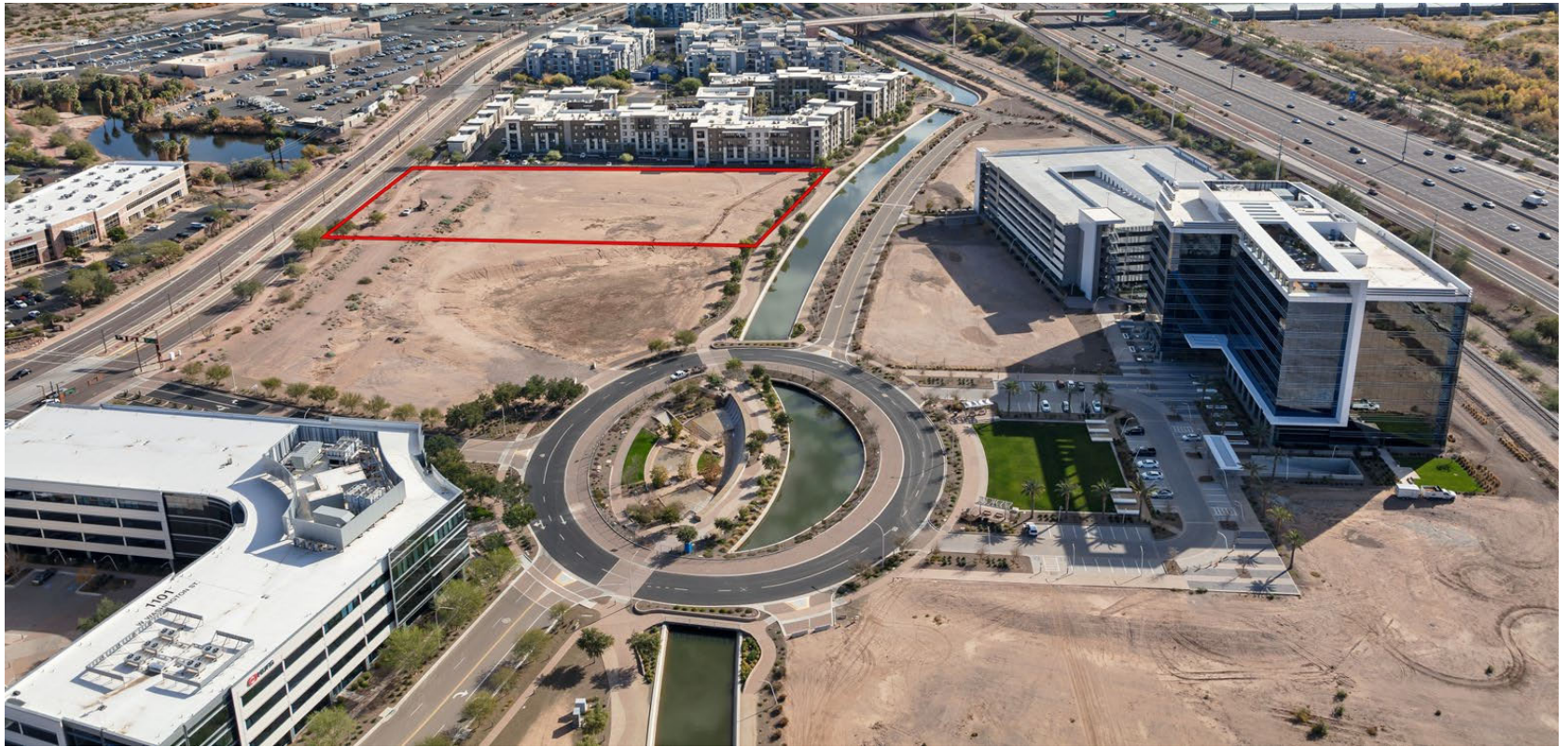
# Alliance Residential on Lot 5 (290 units)



08/07/25-Papago Park Center, Inc. M.B. Rosen



## Alliance Residential on Lot 5 (290 units)



08/07/25-Papago Park Center, Inc. M.B. Rosen

## Alliance Residential on Lot 5 (290 units)

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- 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
- Since 2022, PPC, Inc. has been having bi-monthly meetings with Alliance Residential
- To date, Alliance Residential has spent approximately \$3M on drawings, extensions, and permits. To redo this effort, with an alternate developer, would take roughly an additional 18 months
- Lease has been reviewed by Alliance's lender (PNC Bank)





## Alliance Residential on Lot 5 (290 units)

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- City of Tempe approval extension complete (approvals vested through July 2027)
- Project budget and construction buyout has been ongoing and substantially complete
- Construction loan commitment is available with PNC Bank. Upon equity commitment, Alliance will submit for permits and commence construction



# Alliance Residential on Lot 5 (290 units)

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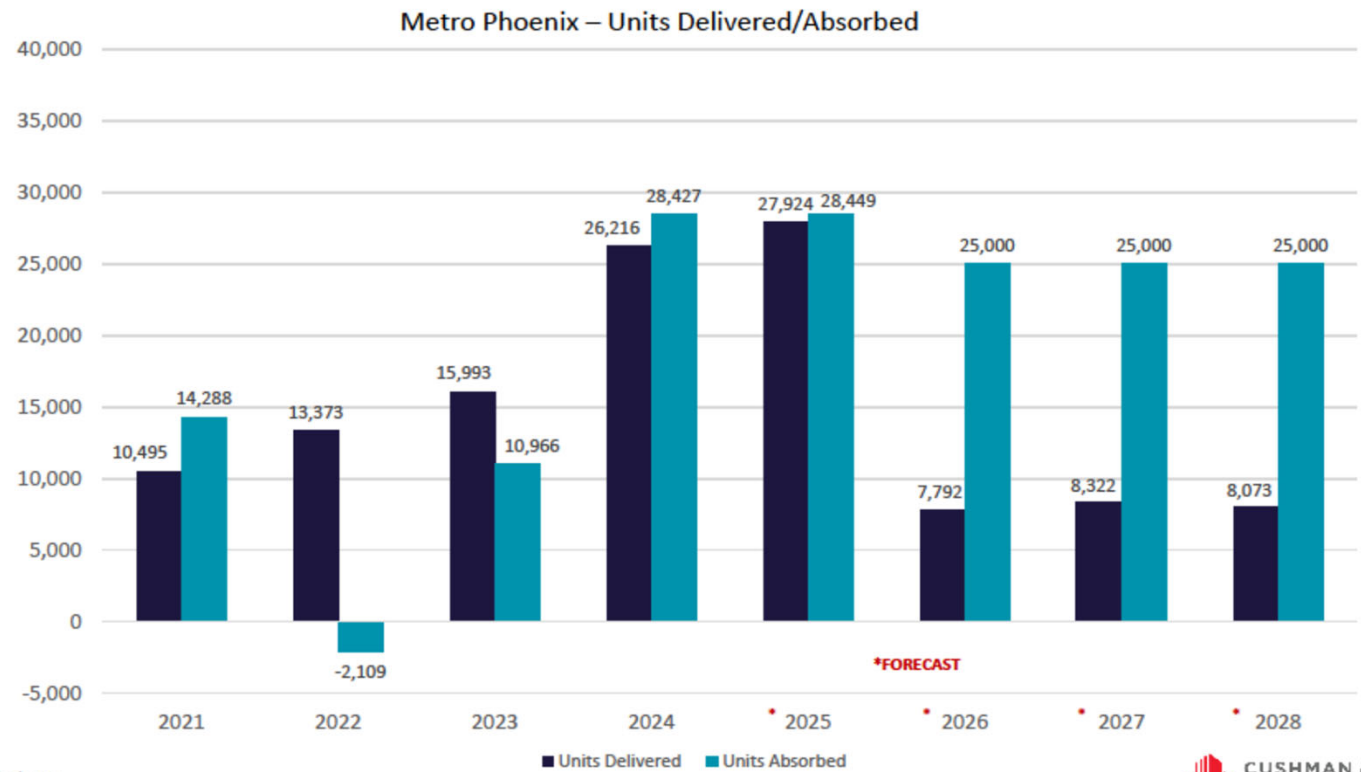
## Current Update

In a holding pattern due to market uncertainties and lender requirements

## Equity Requirement

- Total Budget is \$90M with Equity Requirement of \$35-40M
- Almost no investment capital in Metro Phoenix today due to significant supply still being absorbed, concessions on rental rates (2 months free), elevated construction costs, and broader economic uncertainty around tariffs, interest rates, geopolitical events
- Expect confidence to grow as investment sales increase transaction volume through 2<sup>nd</sup> half of 2025

# Alliance Residential on Lot 5 (290 units)



## Lincoln's options on Lot 2 and 12

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- During August 3, 2023, Board meeting PPC, Inc.'s Board extended options on Lots 2 and 12 through December 31, 2025 (29 months) with Lincoln assigning \$250,000 of the Roosevelt Way East future reimbursement of \$847,533 to PPC, Inc.
- Lincoln has an option to extend an additional 12 months, to December 31, 2026, by assigning an additional \$100,000 of the Roosevelt Way East future reimbursement to PPC, Inc. Option must be exercised by September 30, 2025.
- Continue to monitor office market demand



# Lincoln's Option on Lots 2 and 12



08/07/25

Papago Park Center, Inc. M.B. Rosen

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# Lincoln's Building Rendering for Lot 2

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08/07/25-Papago Park Center, Inc. M.B. Rosen



# Papago Park Center, Inc.



**Mitchell Rosen**

Development Manager

*August 7, 2025*



# Election of Officers for Papago Park Center, Inc.

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## Proposed Slate of Officers

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 &

Mitchell B. Rosen

Designated Broker



# Election of Officers

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## **Board Action Recommended**

- Elect the Papago Park Center, Inc. Slate of Officers for FY26





# Papago Park Center, Inc.



**Mitchell Rosen**

Development Manager

*August 7, 2025*

# Appointment of Declarant Directors

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## **Proposed Slate of Declarant Directors for Papago Park Center Association**

➤ Appoint the following Slate of Declarant Directors:

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



# Appointment of Declarant Directors

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## Board Action Recommended

- Appoint four Declarant Directors to the Papago Park Center Association Board of Directors for FY26





# Papago Park Center, Inc.



**Mitchell Rosen**

Development Manager

*August 7, 2025*



# Appointment of Declarant Directors

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## **Proposed Slate of Declarant Directors for The Grand at Papago Park Center Association**

Appoint the following Slate of Declarant Directors:

- David Rousseau
- Christopher J. Dobson
- Mark V. Pace



# Appointment of Declarant Directors

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## Board Action Recommended

- Appoint three Declarant Directors for The Grand at Papago Park Center Association Board of Directors for FY26



