

Pursuant to A.R.S. §38-431.02, notice is hereby given that the Board of Directors of the Rio Nuevo Multipurpose Facilities District will hold the following meeting, which will be open to the public. One or more Board Members may participate in the public session by telephone.

**NOTICE AND AGENDA
FOR BOARD MEETING OF THE BOARD OF DIRECTORS OF THE
RIO NUEVO MULTIPURPOSE FACILITIES DISTRICT**

**Tuesday, January 27, 2015
1:00 p.m. MST
Regular Meeting
Greenlee & Graham Meeting Rooms @ TCC
Tucson, AZ 85701**

AGENDA

- 1) **Pledge of Allegiance**
- 2) **Roll Call**
- 3) **Board Meeting Minutes** - Discussion and potential approval of December 17, 2014 transcript minutes.
- 4) **Executive Session** - (Coconino Room) Upon a public majority vote of members constituting a quorum, the Board of Directors may hold an Executive Session. To comply with §38-431.03(B), all electronic devices, including cell and smart phones, iPads, notebooks, tablets and laptops should be turned off and stored during Executive Session. During Executive Session the following matters will be addressed.
 - a) Pursuant to A.R.S. §38-431.03(A)(3), (4) & (7), the Board will discuss and obtain legal advice from its attorneys regarding the status of negotiations with Nor-Generations, LLC (“Nor-Gen”) for the potential sale and development of the Arena Site.
 - b) Pursuant to A.R.S. §38-431.03(A)(3), (4) & (7), the Board will discuss and obtain legal advice from its attorneys regarding title to the Westside Parcel and a potential landfill cap maintenance agreement with the City of Tucson (“City”).
 - c) Pursuant to A.R.S. §38-431.03(A)(3) & (4), the Board will discuss and obtain legal advice from its attorneys regarding the streetscape contract negotiations with Downtown Tucson Partnership (“DTP”) and the City.
 - d) Pursuant to A.R.S. §38-431.03(A)(3) & (4), the Board will discuss and obtain legal advice from its attorneys regarding the status of the Mission Garden Agreement negotiations.
 - e) Pursuant to A.R.S. §38-431.03(A)(3), (4) & (7), the Board will discuss and obtain legal advice from its attorneys regarding the Ground Lease and Loan Modification agreement with the Fox Foundation.

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f) Pursuant to A.R.S. §38-431.03(A)(1), the Board will discuss the possible adjustment to the salary of Michele Bettini, its Operations Administrator, to address recent statutory requirements.

5) **Chairman's Remarks**

6) **Chief Financial Officer's Report – Update & Discussion Only**

The District's Chief Financial Officer, Daniel J. Meyers, will update the Board on the District's cash positions and answer any questions that the Board may have.

7) **Tucson Convention Center Arena Renovation Project – Discussion Only**

The Board will receive and discuss the final report on the \$7.8 million renovation of the Tucson Convention Center ("TCC") Arena ("Phase I").

8) **TCC Phase II – Possible Action**

The Board has previously expressed an interest in exploring additional renovations to the TCC focused on the exhibition hall, lobby, meeting rooms and remaining bathrooms, along with handicapped access to the arena and specialized seating by request ("Phase II"). Because Swaim Associates, Ltd. was the architect on Phase I, the Board may take action to engage it for the purpose of working with the Board and the City to develop the proposed scope of Phase II.

9) **TCC Arena Grand Re-Opening and Concert – Discussion Only**

SMG Worldwide Entertainment ("SMG"), which operates the TCC Arena and which hosted a VIP reception, will update the Board on the success of the opening and prospects for the newly renovated arena.

10) **TCC Arena Grand Opening and Concert – Possible Action**

The marketing costs for the grand re-opening of the Arena and the concert exceeded the previously approved Board amount by \$219.50. This excess amount falls well within the petty cash disbursement limitation in the District's Procurement Code. The Board will be provided with a breakdown of such marketing costs and will be asked to ratify this additional expenditure.

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11) Arena Site – Possible Action

Attorneys for the District will update the Board on the status of negotiations with Nor-Gen for the purchase and development of the Arena Lot. The Board may take no action and negotiations will continue with Nor-Gen on an Arena agreement. If the Board determines to take action, possible actions include:

a) Terminate negotiations with Nor-Gen (Proposer #1) and proceed with negotiations with Peach Properties (Proposer #2); or

b) Terminate negotiations with Nor-Gen, and terminate the RFP procurement on the Arena Site.

12) Arena Site – Possible Action

For several years the Arena Site has been utilized by the Gem and Jewelry Exchange (“GJX”) pursuant to a Right of Entry Agreement with the City. GJX has requested a similar agreement from the District. The Board will discuss and may take action on GJX’s request.

13) Westside Deed - Possible Action

The attorneys for the District and the City have drafted an agreement pursuant to which the City’s Environmental Services Department will monitor and maintain the landfill cap on the Westside Parcel. The Board will discuss and may take action in connection with such agreement.

14) January 8th Memorial Update – Possible Action

At its October 17th meeting, the Board voted to contribute \$75,000 to this downtown Tucson memorial, pending third-party confirmation that the District is not subject to the Arizona Constitutions’ Gift Clause. Attorneys for the District have sought, but have not yet received, such confirmation from either the Attorney General or the Goldwater Institute. The Board may vote to take action to address this situation.

15) Mission Garden – Possible Action

The Board will receive an update on the preparation of the contract necessary to effectuate the Board’s motion to provide \$300,000 for infrastructure improvements. The Board may vote to take action related to the expenditure of the \$300,000 based upon such update, including possible approval of an assignment, assumption and release agreement related to the construction contract on the Mission Garden project.

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16) Modification of Fox Theatre Lease Arrangement – Possible Action

Attorneys for the District and the Fox entities successfully completed the documentation necessary to buyout the National Trust for Historic Preservation's interest prior to December 31, 2014. The District now leases the Fox Theatre directly to the Fox Foundation and the Foundation is obligated to repay the revised balance of the loans from the District to the Foundation. If the Foundation fails to do so, the District is authorized to foreclose on the theatre; an action prohibited under the prior, very complex lease and multiple entity sub-lease arrangement.

a) Because the final structure of the agreements differs from the structure discussed at the Board's December 17th meeting and in light of recent developments with the Fox entities, the Board will be asked to ratify the final agreements.

b) The Board may discuss and consider other changes to its agreement with the Foundation and its related entities.

17) Legislative Briefing – Possible Action

The Board is considering inviting legislative members to Tucson during the Gem Show in February to showcase the Arena and provide an update about Rio Nuevo and downtown activity. The Board may vote to issue such invitations and to authorize payment of associated expenses.

18) Employment matter – Possible Action

The Board may take action consistent with any executive session discussion regarding the possible adjustment to the salary of Michele Bettini, its Operations Administrator, to address recent statutory requirements.

19) Call to the Audience

Presentations are limited to three (3) minutes per speaker for a total of fifteen (15) minutes. All individuals interested in speaking must submit a Speaker's Card that will be made available at the meeting.

20) Adjourn