

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.

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

Tuesday, October 25, 2016
1:00 p.m. MST Regular Meeting
Arizona State Building, Room 222
Tucson, Arizona 85701

AGENDA

- 1) **Pledge of Allegiance**
- 2) **Roll Call**
- 3) **Board Meeting Minutes** - Discussion and potential approval of the transcript minutes of the September 27, 2016 meeting.
- 4) **Executive Session (Room 158)** - Upon a public majority vote of members constituting a quorum, the Board of Directors may hold an Executive Session. To comply with A.R.S. §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 with, consult with, obtain legal advice from and may instruct its attorneys regarding the next steps to be taken in the developer's efforts to transform the old Thrifty Block parcel into a multi-use facility known as City Park.
 - b) Pursuant to A.R.S. §38-431.03(A)(3), (4) & (7), the Board will discuss with, consult with, obtain legal advice from and may instruct its attorneys regarding the Requests for Qualifications for both (i) the professional design and (ii) the construction manager at risk services needed for the design and construction of the Caterpillar Headquarters.
 - c) Pursuant to A.R.S. §38-431.03(A)(3), (4) & (7), the Board will discuss with, consult with, obtain legal advice from and may instruct its attorneys regarding a request by developers Ron Schwabe and Marcel Dabdoud of Peach Properties for financial assistance in connection with the development of three iconic projects within the TIF district.
- 5) **Chairman's Remarks** - The Chairman will provide a brief update on relevant current events, which may include an update on various downtown projects, the Rio Nuevo audits and prospects for downtown.

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6) Financial Report – Update & Discussion Only

The Board will receive an update from Daniel Meyers on the District’s cash positions and related financial issues. Mr. Meyers will also address any questions that the Board may have.

7) Annual Audit – Possible Action

Beach, Fleischman & Co., P.C. (“Beach Fleischman”) has completed its annual independent audit of the District. Beach Fleischman’s Lydia Hunter will report the results of the audit and respond to inquiries from the Board. Based upon such discussion, the Board may vote to take action which could include approval of the audit findings and the public release of the final results.

8) Performance Audit Results – Possible Action

The Board will hear from the auditors of the recently completed tri-annual Performance Audit of the District conducted on behalf of the Arizona Auditor General. The Performance Audit concluded that the District is in 100% compliance with the statutory requirements and lauded the Board for its transparency and use of State funds. The auditors noted the dramatic difference between the 2010 audit and the 2016 audit. The audit contains a few recommendations for the District to consider, focused primarily on long-range planning and budgeting. Based upon the auditor’s comments and responses to the Board’s inquiries, the Board may vote to take action which could include the implementation of some or all of the auditor’s recommendations.

9) State of Downtown Event – Update Only

Rio Nuevo is partnering with the Downtown Tucson Partnership to present a State of Downtown event called Downtown Now at the Tucson Convention Center on November 3, 2016 at 5 p.m. No Rio Nuevo funds are being utilized for the event. Member Jannie Cox will update the Board and public on the event.

10) Tucson Convention Center Arena Hockey Renovations – Update Only

The Board will receive an update on the progress of its recent and ongoing renovations of the Arena to bring professional hockey to Tucson.

11) New Greyhound Bus Terminal – Update Only

The Board will receive and discuss an update on the progress of the District’s construction of the new Greyhound Bus Terminal.

12) Greyhound/Chapman Management Agreement – Possible Action

Chapman Management Group, LLC (“Chapman”) manages the existing Greyhound terminal property for the District pursuant to an agreement with the Board (“Management Agreement”). The

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Management Agreement expires on October 31, 2016. The Board will discuss and may vote to take action in connection with the agreement, which action may include directing staff, counsel and/or the executive officers to extend, terminate or modify this Management Agreement.

13) City Park – Possible Action

At a previous meeting, the Board offered to assist in the development of City Park, a retail complex designed for the long vacant Thrifty Block parcel at Scott and Congress. Subject to bank approval, private equity and tenant engagement, the District indicated a willingness to financially assist the project. Project developers have indicated all the pieces are in place to go forward and will present their plans to the Board. The Board will discuss and consider entering into a development agreement, along with some financial support, time-frames and penalties in an effort to advance the project. Based upon such discussion, the Board may vote to direct staff, counsel and/or the executive officers to take the actions necessary to effectuate the expressed desires of the Board.

14) Peach Properties Bundled Projects – Possible Action

Developers Ron Schwabe and Marcel Dabdoud now control a number of iconic and historic downtown properties. They are determined to maintain the historical value of the projects, yet create new opportunities for food and beverage, retail and housing in the urban core. They will present a proposal to the District to support three very important projects: The Arizona Hotel (across the street from the Ronstadt Center), the old Bring's chapel at 236 S. Scott, and the now vacated Chicago Store building at 45 S. Sixth Avenue. These projects contemplate mixed uses, marquee restaurants, retail and housing for the urban core. The Board will discuss the value and importance of the projects and may vote to take action which could include directing staff, counsel and/or the executive officers to effectuate the expressed desires of the Board.

15) Caterpillar's Surface Mining & Technology Headquarters – Possible Action

After receiving an update on the due diligence actions being taken in connection with the future home of Caterpillar's SM&T Headquarters, the Board will discuss whether to authorize the release of Requests for Qualifications for both (i) the professional design and (ii) the construction manager at risk services needed for the design and construction of the Caterpillar Headquarters. Based upon such update and discussion, the Board may vote to take action which could include directing staff, counsel and/or the executive officers to effectuate the expressed desires of the Board.

16) Project Financing – Possible Action

The Board has previously approved independent financing for the AC Marriott and Greyhound commitments of approximately \$7,000,000. Attorneys and underwriters will update and discuss the options available to the Board. The Board may vote to take action based upon such update and discussion which could include directing staff, counsel and/or the executive officers to effectuate the expressed desires of the Board.

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17) FLS/Marist– Possible Action

The Board has previously approved a \$350,000 loan to the Foundation for Senior Living (“FSL”) secured by a Deed of Trust and a commitment to loan an additional \$1,000,000 upon certain specified conditions. Since those authorizations, the attorneys for the Board and for FSL have prepared the necessary documents and agreements for the Board’s consideration. Counsel will respond to questions from the Board. Based upon such discussion, the Board may vote to direct staff, counsel and/or the executive officers to take the actions necessary to effectuate the expressed desires of the Board.

18) 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.

19) Adjourn