

APPROVED BY THE
RIO NUEVO BOARD
OCTOBER 13, 2004

**RIO NUEVO MULTIPURPOSE FACILITIES DISTRICT BOARD
MEETING MINUTES
AUGUST 11, 2004, 6:00 P.M.
RIO NUEVO COMMUNITY MEETING ROOM, 52 WEST CONGRESS,
TUCSON, ARIZONA.**

1. Roll Call

The meeting was called to order at 6:07 p.m.

Board members present: Chair Ruben Suarez and Members Arlene Lopez and Margaret Hardy.

Board member absent: Olivia Hernandez

City of Tucson staff members present: Rio Nuevo Director Greg Shelko, Rio Nuevo Development Director Mr. Emerson, Community Services Project Supervisor and Downtown Housing Planner Ann Vargas, Transportation Superintendent Lucy Amparano, Project Manager Karen Leone and Staff Assistant Virginia Monyak.

Attorney for the Board: Bill Hicks, Snell & Wilmer

Guests: University of Arizona Facilities Design & Construction Director Bob Smith and Corky Poster of Poster Frost.

2. Call to the Audience

Michael Toney spoke on the University of Arizona's Science Center. He reiterated his concerns about the figures given to compare the St. Louis Center with theirs. He said he's meeting with or spoken to Representative Hershburger, Senator Soltero, Council Member Dunbar, and Rio Nuevo Citizens Advisory Committee Member Richard Studwell who either agree with him, or are willing to look at the information he has provided to them.

3. Approval of March 16, 2004 and May 12, 2004 Minutes

Ms. Lopez made a motion to approve the June 9th meeting minutes with the correction to the spelling of Ken Scoville's name. Ms. Hardy seconded the motion. The motion passed unanimously.

4. Fox Theatre

Herb Stratford, Executive Director of the Fox Theatre Foundation gave the Board an update on the project. Some of the milestones were: \$860,000 raised since December 23, 2003, 17 sidewalk stars have been installed, the Theatre was added to the National

Historical Register, and plans are in place to renovate the lobby which will allow for public events and also generate some revenue for the Theatre. They will now be concentrating on private fundraising efforts.

Board members had questions relating to the lapse of the original time line and funding.

Mr. Stratford responded that there were various reasons for the lapse - 14 months of architectural and design work, 5 months of City permitting review, and declining resources for funding. Now that the Theatre has been designated as historical they qualify for other funding sources, as well as tax credits and may be able to get a loan. They do not plan on return to the Board for additional funding.

5. Monthly Rio Nuevo Projects Update

Mr. Emerson provided the Board members with his monthly project update.

Ms. Hardy expressed some thoughts on the Greyhound relocation project. If the City is still looking for an alternate site, she doesn't think there's going to be enough time and the temporary site at I-10/Congress should be vacated as soon as possible to avoid delaying the construction of the Arena. She also asked for an update on the Thrifty Block project. Mr. Shelko said the developer had a structural engineer look at the site and they determined that it was infeasible to save the Talk of the Town building due to it being structurally unstable. However, they will try to save the bricks and incorporate them into the public space(s).

6. Presidio Terrace Mixed-Use Development Proposal

Ms. Vargas updated the Board on the proposed project, which is slated for the "L" spaced parking lot north/east of the Water Building. A site map was provided to them. 60-80 residential units and 126 replacement parking spaces are proposed, with some possible retail space. Proposals were received from the Ice House, Bourn/Fina, Pathway Development and Reliance Construction. The selection committee is prepared to go to Mayor and Council with their recommendation on September 7th. Detail points cannot be worked out without Mayor & Council direction. There was no indication of who the preferred developer was.

Ms. Hardy expressed some concern about the archeology work delaying the project. Mr. Shelko reassured her that staff would do everything possible not to delay the project.

7. Rio Nuevo Master Plan Update

Mr. Emerson unveiled the Rio Nuevo Master Plan Update that was prepared by Planners Inc.

Ms. Hardy asked if staff had met and addressed Menlo Park's concerns about parking on the westside. Mr. Emerson reassured her that the plan had been unveiled to them at their Neighborhood Meeting. They know that there needs to be parking on the westside and there didn't appear to be a problem with what was being shown in the master plan.

Ms. Lopez asked where the Gem Show that is currently held on the Congress Street property would be relocated once the westside is developed. Mr. Emerson said that the Civic Plaza, Arena and remodeled convention center would provide many new opportunities to locate the Gem Show.

8. Intergovernmental Agreement Between the City of Tucson, Rio Nuevo Multipurpose Facilities District, and Board of Regents on Behalf of the University of Arizona for the Funding and Development of the Science Center

The Board approved the UA's application for district funding of \$20 million and lease rights to City-owned land. This IGA delineates the responsibilities of all parties involved.

Ms. Hardy asked if the land valued \$6 million could be used as match and what a light cone was? The response was yes it could be used as match and the light cone is the area above the planetarium where the light code would be enforced. The less light around it, the clearer it is to see up into the sky.

Ms. Lopez moved to approve the IGA. Ms. Hardy seconded the motion. The motion passed unanimously.

Michael Toney spoke about his objection to the UA Science Center and concerns about the figures used to compare the UA center with the one at St. Louis.

Ms. Hardy made a motion to appoint Ms. Lopez as the temporary Board Clerk to attest to the Chair's signature. Mr. Suarez seconded the motion. The motion passed unanimously.

9. Report on Rio Nuevo Finances

Mr. Shelko went over the financial report ended June 31, 2004 and noted that overall Rio Nuevo spent less than was budgeted. There probably won't be any excess funds next year.

Ms. Hardy expressed her concern about the debt, and feels that a decision should be made on whether Rio Nuevo should repay the City, or the City should show it as match. Staff continues to work on this matter with City Finance.

10. Warehouse District Master Plan

Mr. Poster presented the Warehouse District Master Plan to the Board, which was accepted by the Mayor & Council on June 28th. The stakeholders came up with eight recommendations, which Mr. Poster summarized. The Chair of the interim Board for the District, David Aguirre, will update the Rio Nuevo Board in 60-90 days on their progress in implementing the recommendations.

11. Future Agenda Items

Staff anticipates returning the Board with Origins, the Civic Plaza and Arena items in the near future.

13. Adjournment

The meeting was adjourned at 8:05 p.m.