

APPROVED BY THE
RIO NUEVO BOARD
MAY 11, 2005

**RIO NUEVO MULTIPURPOSE FACILITIES DISTRICT BOARD
MEETING MINUTES
WEDNESDAY, APRIL 13, 2005 6:00 P.M.
RIO NUEVO COMMUNITY MEETING ROOM
52 WEST CONGRESS, 2ND FLOOR
TUCSON, ARIZONA**

1. Roll Call

The meeting was called to order at 6:07 p.m. After a roll call, a quorum was determined to be present.

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

Board member absent: Olivia Hernandez

Rio Nuevo staff members present:

Greg Shelko, Director

Randy Emerson, Director of Development

Bill O'Malley, Construction Manager

Lucy Amparano, Transportation Superintendent

Karen Leone, Project Manager

Virginia Monyak, Staff Assistant

Attorney for the Board: Bill Hicks of Snell & Wilmer

Guest Speakers:

Dennis Alvarez, District Engineer for the Arizona Department of Transportation

Jim Glock, City of Tucson Director of Transportation

2. Call to the Audience

Michael Toney spoke to the Board on the proposed arena, I-10 widening, and the University of Arizona's Bridge of Knowledge.

3. Approval of March 9, 2005 Meeting Minutes

Ms. Hardy moved to approve the minutes as presented. Ms. Lopez seconded the motion. The motion passed unanimously (11 to 0).

4. Monthly Update on Rio Nuevo Projects

Mr. Shelko discussed some of the projects...

- Greyhound - scheduled to be relocated in June.
- Fox Theatre - Mayor & Council approved the financial plan

It is the intent of these meeting minutes to get the general meaning of the discussion, summarize what happened and record official actions. The minutes are not intended to be a verbatim transcription of all that was said. Audio tapes of the meeting are available for review at the Rio Nuevo Office, located at 52 W. Congress.

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- Pennington Street Parking Garage - scheduled for completion in August and could open as early as September. Staff is seriously negotiating a 6,000 sq.ft. lease with a restaurateur.
- Transportation and Feasibility Study – scheduled for completion in May
- Mercado at Menlo Park – Developer is working on home designs and entitlements.
- Presidio Terrace – Continue to work on the Tucson Museum of Art parking issue.
- Arena – Other communities were surveyed. Feasibility consultant to complete their report in 30-40 days.
- Civic/Cultural Plazas – Arizona Historical Society and Arizona State Museums are advancing their plans. Ms. Hardy inquired as the status of the condemnation project. Mr. Shelko responded that staff was directed by Mayor & Council to continue negotiations and return in 60 days.
- University of Arizona (UA) Science Center – Rafael Vinoly is working on some affordable design alternatives.

Ms. Amparano advised that grading would begin at the Mercado at Menlo Park soon and that the Tamarack trees would be removed as part of that process.

Mr. Emerson advised that two responses were received in response to the Request for Proposals for the Presidio Heritage Park.

5. Presentation on the I-10: Prince Road to 29th Street Widening Project

Mr. Alvarez updated the Board on the upcoming I-10: Prince to 29th Street widening project. The I-19/I-10 interchange was so successful that they decided to combine the five projects originally intended to complete this section into one project with a guaranteed price contract. Some of the measures being taken to alleviate traffic delays during construction will include:

- hiring a tow truck company to haul away disabled vehicles as soon as possible
- using three lanes of traffic on the frontage roads to help keep traffic moving along as quickly as possible
- closing off ramps to everyone except emergency vehicles
- providing additional express route bus service in areas such as the northwest
- keep traffic moving under the freeway with bridge replacements taking place over the weekends

Mr. Suarez expressed concern about the disruption that could occur during the UA Science project. Mr. Alvarez responded that ADOT is working very closely with the UA and they hold conversations daily. A lot of coordination will be needed.

Ms. Hardy asked the progress of the noise mitigation affecting downtown neighborhoods? Mr. Alvarez responded that they have been working with the

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Governor's Office and that their final report will be submitted to their office shortly for distribution to the neighborhoods.

6. Downtown Parking Plan

Mr. Glock updated the Board on the 5-Year Downtown Tucson Parking Study. Currently there are 14,369 parking spaces which is adequate for today's occupancy rate. However, if retail and office space were at 100% occupancy, there would be a 3,038 space shortfall. Downtown parking requirements are lower than other areas due to alternative modes of transportation such as transit, carpooling, and bicycling.

To conduct the study, downtown was broken into four districts, redevelopment properties were identified with estimated parking requirements and possible parking structure locations were identified using a 5-minute walking radii. In summary, over 12,362 parking spaces are needed to keep pace with the upcoming downtown redevelopment projects. The next steps are to prioritize where the parking is needed most, develop a financing plan, analyze new redevelopment using the Urban Land Institutes mixed-use development parking guidelines and development public/private partnership strategies and policies. Staff plans to update the study annually as redevelopment occurs.

7. Approval of Resolution No. 2005-04 – Delegation of Administrative Responsibilities

Mr. Shelko advised the Board that as projects start picking up it makes sense to delegate some of the day to day business to staff. It would save money and be more efficient. A couple of examples of these types of responsibilities include:

- Approving and executing short-term leases (less than 1 year), temporary revocable easements for legally permissible uses and limited term rights-of-entry for District-owned property for uses that augment the goals of the Rio Nuevo Master Plan, the compensation for which may be nominal or market rate. One example is the use of the Thrifty Block by TDA for Downtown Saturdays.
- Approving and executing contracts for professional services when fees for such services are less than \$25,000 and a solicitation process was followed that ensures competitive pricing unless sole source is deemed appropriate as governed by City of Tucson policies. One example of this type of contract would be the contract with Economics Research Associates for preparation of a housing market analysis and forecast.

Mr. Suarez asked legal counsel if this was acceptable. Mr. Hicks advised that yes, it's customary to delegate administrative duties to carry out such day to day responsibilities.

Ms. Hardy moved to approve Resolution No. 2005-04 relating to the delegation of administrative responsibilities. Ms. Lopez seconded the motion. The motion passed unanimously (11-0).

8. Approval of Resolution No. 2005-05 – Authorization to enter into a contract with Economic Research Associates to Prepare a Downtown Housing Study

Mr. Shelko advised that the Department of Urban Planning and Design and Rio Nuevo solicited a proposal to conduct the study. The information provided by this study will be key to promoting downtown Tucson. Currently, the information is not available to prospective developers and it's hard to convince the private sector that there's a market downtown.

Ms. Hardy asked how downtown was defined? Mr. Shelko advised that the area from Speedway to 22nd Street and Mission/Grande to Park Avenue would be the general vicinity being looked at.

Ms. Hardy moved to approve Resolution No. 2005-05 authorizing staff to enter into a contract with Economic Research Associates to prepare a Downtown Housing Study. Ms. Lopez seconded the motion. The motion passed unanimously (11-0).

9. Approval of Resolution No. 2005-06 – Technical Amendments to the Intergovernmental Agreement Providing for the Fox Foundation's Financing plan to Allow Fox to Qualify for Preservation Tax Credit Investments.

Ms. Leone advised that the resolution addresses two technical amendments relating to trigger dates and new market tax credits. The lease commencements are being moved forward and the lease is \$10.00. There are no changes to the terms of the agreement.

Mr. Lopez moved to approve Resolution No. 2005-06 approving technical amendments to the Intergovernmental Agreement providing for the Fox Foundation's Financing plan to allow Fox to qualify for preservation tax credit investments. Ms. Hardy seconded the motion. The motion passed unanimously (11-0).

10. Announcements

- Paseo Estrella will be holding a groundbreaking ceremony tomorrow April 14th at 10:00 a.m.
- Rio Nuevo will be holding an Open House Saturday, April 30th from 11:00 a.m. to 4:00 p.m. in conjunction with the Fox Open House and Downtown Saturday.

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11. Discussion of Future Agenda Items

- Transportation Update

10. Adjournment

- The meeting was adjourned at 7:05 p.m.

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