

RIO NUEVO MULTIPURPOSE FACILITIES BOARD MEETING

March 11, 2014

Tucson, Arizona

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Reported by: ANTHONY C. GARCIA, RDR, CR  
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1 APPEARANCES:

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3 BOARD MEMBERS:

4 Fletcher McCusker, Chairman

5 Janine Cox

6 Mark Irvin

7 Chris Sheafe

8 Alberto Moore

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10 Michele Bettini, Staff

11 Mark Collins, Legal Counsel

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P R O C E E D I N G S

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CHAIRMAN McCUSKER: Call the meeting to order.

I have 2:03.

Mr. Irvin, I understand today's actually your fourth anniversary, so we're going to reward you by allowing you to lead us in the pledge.

MR. IRVIN: I knew that was coming.

(Pledge of Allegiance recited.)

CHAIRMAN McCUSKER: Michele, call the roll.

MS. BETTINI: Janine Cox.

MS. COX: Here.

MS. BETTINI: Mark Irvin.

MR. IRVIN: Here.

MS. BETTINI: Fletcher McCusker.

CHAIRMAN McCUSKER: Here.

MS. BETTINI: Chris Sheafe.

MR. SHEAFE: Here.

MS. BETTINI: Alberto Moore.

MR. MOORE: Here.

MS. BETTINI: And Jeff Hill and Cody Ritchie are excused.

CHAIRMAN McCUSKER: You've seen a copy of the transcripts. I read through them. I didn't see

1 anything out of the ordinary.

2 We need a motion to approve.

3 MR. IRVIN: So moved.

4 MS. COX: Second.

5 CHAIRMAN McCUSKER: All say aye.

6 (Board votes unanimously and motion carries.)

7 CHAIRMAN McCUSKER: Executive session agenda,  
8 I need a motion.

9 MR. IRVIN: So moved.

10 CHAIRMAN McCUSKER: Need a second.

11 MS. COX: Second.

12 CHAIRMAN McCUSKER: All in favor say aye.

13 (Board votes unanimously and motion carries.)

14 (Recess.)

15 CHAIRMAN McCUSKER: We need a motion to  
16 reconvene.

17 MR. SHEAFE: Move.

18 CHAIRMAN McCUSKER: Need a second.

19 MR. MOORE: Second.

20 CHAIRMAN McCUSKER: All in favor say aye.

21 (Board votes unanimously and motion carries.)

22 CHAIRMAN McCUSKER: We're back in business.

23 Thank you, everyone. We have a full agenda,  
24 and we're going to try and navigate our way through all  
25 this.

1           But we're excited about the opportunities  
2 that we get to talk about today. You know, finally  
3 feels like we're in the development mode as opposed to  
4 a defensive mode. So we are going to hear from a  
5 couple of possible projects.

6           We do, indeed, have the deed for the arena  
7 lot. Will give us a chance to talk about what our  
8 intentions are there and its directions and how that  
9 property can benefit adjacent property.

10           We do not have the deed for the west side  
11 parcel, item number nine. We have identified the  
12 boundaries. There's some other exciting things over  
13 there, like a well and some archeology that we're  
14 working through with the City.

15           We will go through the name entries and  
16 select the finalists by each ward.

17           Mr. Bourn is here to update us on the  
18 progress of the Thrifty block.

19           So we got a lot going on, but we're all  
20 having fun and it's an exciting time.

21           So, Dan, make sure we don't run out of money.  
22 Go ahead.

23           MR. MEYERS: Okay. No significant changes  
24 from the prior month.

25           We've got about \$12 million in bank accounts

1 consisting of 6.8 million in Alliance operating  
2 account. We got a little over five million dollars in  
3 the Alliance ICS account, and approximately \$272,000 in  
4 Bank of Tucson. We also have in the City of Tucson  
5 pool of funds 4.168 million.

6 So total amount of cash available as of  
7 February 28 is just a tad under \$16.3 million.

8 We still got \$9.6 million in commitments on  
9 out there, which a little over 300 has been already  
10 funded for the arena remodel. And so our standing  
11 commitments is 9.3 million.

12 Any questions?

13 CHAIRMAN McCUSKER: The arena construction  
14 started Monday, so we'll start seeing money flow, Dan  
15 as those get invoiced.

16 MR. MEYERS: Yeah. The first 4.2. million  
17 will run to the City until that account is expired,  
18 then the balance will come directly to us. But the  
19 approval process is the same regardless who's writing  
20 the checks.

21 So it goes to the project manager, it comes  
22 to Rio Nuevo, then the City will be authorized to pay  
23 that down.

24 So they already started on the concessions  
25 and restrooms down the street. And that project is on

1 budget and on time.

2 CHAIRMAN McCUSKER: Any questions for Dan?

3 Okay. Thank you very much.

4 All right. On the screen you see two pieces  
5 of property that we're going to discuss separately.

6 The little hook to the left is Granada.

7 That's the TCC complex with the white roof. The first  
8 vacant parcel immediately west of Granada is owned by  
9 Nor-Gen. That's the Federal Court house in the front  
10 corner, and that's the arena lot to the west of that.

11 That's the Greyhound temporarily modular location  
12 between the two greenbelts there. Those are both  
13 active arroyos that run through that arena property.

14 When we were negotiating to settle with the  
15 City of Tucson we placed a great deal of emphasis on  
16 that property in our settlement agreement. We believe  
17 that is a premier parcel and, ultimately, the gateway  
18 to Tucson.

19 Our agreement with Greyhound is that when we  
20 have a development plan for that site we're obligated  
21 to give the City one year's notice, at which time they  
22 are obligated to relocate the Greyhound terminal.

23 We worked extensively to get the deed, so we  
24 haven't been able to say a lot publicly about what our  
25 hopes are for those properties. I think we've publicly

1 said over the last year that we're very eager to work  
2 with the adjacent property so that Norville can  
3 maximize his development on our east.

4 Part of the challenges there are watershed.  
5 I was surprised to learn -- maybe I wasn't surprised,  
6 but I did learn that all the water that comes from  
7 those publicly-owned lands flows on to Norville's  
8 property and, ultimately, on to our property, which can  
9 restrict some of the development if we can't clear  
10 ourself of the watershed.

11 So we've been negotiating with City, County,  
12 private developers, property owners, Waste Water about  
13 the idea of running a culvert along Granada. That  
14 would empty the water ultimately to the river, freeing  
15 up both parcels for their maximum development. And  
16 we're going to discuss that proposal specifically  
17 today.

18 We have -- on the arena lot we have asked for  
19 an updated appraisal on that property, so we want to be  
20 certain we know what its value is. We have an  
21 appraisal that's a about a year old. We've asked that  
22 to be updated. We do not have that for today's  
23 meeting, but should have it out by next meeting.

24 Alan, I know you guys wanted to present your  
25 proposed project for your properties, so if you are



1 ready, we're ready.

2           Maybe if we could turn that so the audience  
3 could see it too.

4           MR. GREINER: Fletcher, Board, my name's John  
5 Greiner, civil and structural engineers here in Tucson.

6           And we've been working with Alan on some  
7 concepts here for his property.

8           It starts with a permanent site for the gem  
9 show building. We've got the exhibition hall, then a  
10 nice lobby space off Granada, dropoff area and a lobby  
11 space.

12           The key part is to try to pull all the pieces  
13 together here, the parking, the exhibition and access  
14 to TCC. The concept is to have a raised, above-grade  
15 plaza that will give you pedestrian access from the  
16 parking to the exhibition hall, over the top of Granada  
17 to a large space here that's created, and on into the  
18 TCC.

19           So we're creating somewhere 30 to 45,000  
20 square feet of new real estate down here that can be  
21 used for outdoor functions, things like that. It will  
22 be designed to bring light trucks across to cater  
23 different events, have shade, fountains, make it very  
24 user friendly, pedestrian friendly.

25           The parking is key to the exhibition hall and

1 also for the TCC, because currently the gem show is not  
2 there, that lot is used for surface parking. It's  
3 quite convenient.

4 So I think this solves a lot of things we  
5 presented to the Urban Land Institute and it meets a  
6 lot of their criteria, you know, trying to drive  
7 traffic to downtown all times of day, create  
8 pedestrian-friendly things.

9 We have stops, streetcar stops, we have  
10 escalators and elevators to get you up and down off  
11 that plaza. So you could actually walk on foot from  
12 here all the way into downtown and not have to cross a  
13 lot of streets. There's some of the pedestrian bridges  
14 in the downtown area here. This could be phased.

15 This plan here, Fletcher, is a little bit  
16 different than we presented a couple weeks ago. We  
17 pushed the garage as far south as we can, create some  
18 nice opportunities, potential opportunities along  
19 Granada for maybe some ground-level retail or other  
20 uses, you know, can do some nice things with the  
21 architecture there to make it friendly for the  
22 neighborhood. There's other future phases that can be  
23 added on.

24 So that's kind of the concept in a nutshell.

25 CHAIRMAN McCUSKER: John, do you know how

1 much parking you have to have adjacent?

2 MR. GREINER: We're inside the Downtown  
3 Infill Incentive District, and the parking zoning  
4 requirements are waived. So, technically, by code you  
5 wouldn't need any parking.

6 But that makes no sense. All you're going to  
7 do is aggravate everybody if you don't adequately park  
8 this facility. You've got to provide parking,  
9 otherwise, it's not functional.

10 If you parked one to a hundred, which would  
11 be a assembly area requirement, it's 120,000  
12 square feet, you need 1200 parking spots. So, you  
13 know, that's a judgment call that we have to negotiate  
14 and decide what makes sense.

15 You've got some surface parking here, you've  
16 got use of surface parking here temporarily, but you  
17 have to build a structure to really make this thing  
18 work. And it could be multi use to drive traffic and  
19 getting people into downtown, not just during working  
20 hours. You want them there all the time.

21 The other thing we have here on the end of  
22 the pad of the site is a location there for potential  
23 future building. And Alan has been negotiating that  
24 use right now. And that could be a real special  
25 property right there.

1           CHAIRMAN McCUSKER: Do you know offhand how  
2 many parking spaces are on the east side of that the  
3 TCC lot there?

4           MR. GREINER: No, I do not.  
5 Do you know, Phil?

6           CHAIRMAN McCUSKER: The west lot TCC, do you  
7 have any idea how many spaces?

8           PHIL: I do not. I think it's in the range  
9 of 400 or so. I'm not sure.

10          CHAIRMAN McCUSKER: Any questions of John?

11          MR. MOORE: What's that other piece that  
12 L-shaped.

13          MR. GREINER: This here?

14          MR. MOORE: Yeah.

15          CHAIRMAN McCUSKER: It's a concept for a  
16 second future garage, and you could even put a hotel on  
17 the top. It just shows there's some opportunities here  
18 for different things.

19                 And this is all to kind of go along with the  
20 goals people that different people have come up with,  
21 get some hotels downtown, get some population down  
22 there. So you could tie those garages together.

23                 We would design this where the ground floor  
24 level garage would be flat, so you can actually use  
25 that space down below from time to time.

1           Talked about what are some other uses for  
2 this facility. It would be great for sports. We could  
3 get volleyball tournaments here if we had enough space  
4 to get courts in, put a couple indoor soccer fields in  
5 here. It's a big space that could be used throughout  
6 the year.

7           MR. IRVIN: John, in your mind, when there's  
8 not something going on Alan's properties, who is the  
9 logical use of that parking garage?

10           I have no question that's going to be full  
11 when things are going on. My concern is where it's  
12 located on that site, I don't know who is going to park  
13 there. It's a normal downtown use. That's not using  
14 that facility time specific.

15           MR. GREINER: Who would be using this dirt  
16 lot now is people using the TCC and the Music Hall when  
17 there's no place to park. That would be --

18           CHAIRMAN McCUSKER: North of that, there's a  
19 hotel, restaurants, shopping.

20           MR. GREINER: In our last meeting the  
21 conversation came up, well, why don't we put the garage  
22 over here. Well, then it becomes a question of what is  
23 the highest and best use of the particular pieces of  
24 property.

25           Well, this is along the freeway, it's further

1 away. You know, maybe this is the best spot for the  
2 parking garage. And this over here may be another use  
3 down on the road.

4 But this is a really choice piece of property  
5 here. Let's not lose the opportunity and build a  
6 garage right there now because it seems to be  
7 convenient.

8 So that would be my thought process on that.

9 CHAIRMAN McCUSKER: Talk about the timing of  
10 your project.

11 MR. GREINER: Maybe Alan can speak to this  
12 more, but we can get going on this right away. We've  
13 got to have parking to make it realistic. You know,  
14 for surface parking temporarily this really is a key  
15 part to it.

16 MR. NORVILLE: We're prepared to proceed  
17 immediately, but we have a --

18 MR. MOORE: Can you introduce yourself for  
19 the record?

20 MR. NORVILLE: Alan Norville of 411 West  
21 Congress.

22 Before we proceed with the building we have  
23 to move the drainage ditch. We met with Planned  
24 Development, and we have to move the ditch.

25 The plans are done. I think we're probably

1 four weeks away from getting final approval. And if we  
2 could complete the drainage, then we can build. That's  
3 what's holding us up. Because the drainage runs right  
4 through the property, and without relocating it we  
5 can't build our building.

6 So really the ball is in your court right  
7 now. If we could get approval immediately, we can  
8 commence construction immediately.

9 It's going to be difficult to build this  
10 year. It would depend upon permits. But I have  
11 structural people working on our building and we're  
12 prepared to move ahead.

13 Mr. Irving, to answer your question in terms  
14 of who would park there, we currently have over 250  
15 monthly parkers today that would move into that garage  
16 immediately. So there is a demand for parking, and  
17 they are parking where the building would be.

18 MR. IRVIN: Well, that's 250 of 1200, so that  
19 doesn't get me mentally where I was thinking we need to  
20 be, but just a question.

21 MR. GREINER: Six to 800 for the first phase.

22 CHAIRMAN McCUSKER: There's 200 in the  
23 Catalina lot. There's the lot north in front of the  
24 old depot.

25 Is that your lot?

1 MR. NORVILLE: There's 150 there.

2 CHAIRMAN McCUSKER: 150 there. There's 600  
3 monthly parkers.

4 MR. IRVIN: With the streetcar coming in, how  
5 do you invention that would impact or not impact your  
6 parking situation, people being able to access remote  
7 lots? How does that fit into your thought process of  
8 having this basically right next door?

9 MR. NORVILLE: I don't think the streetcar  
10 will help the parking for our gem show. If we had the  
11 streetcar this year, 75 percent of our dealers and our  
12 customers are foreign people, international, and they  
13 would not be taking the streetcar.

14 To have a successful exhibition hall, to have  
15 a successful gem show, we have to have parking. This  
16 year -- well, for years we have been leasing the arena  
17 property, the whole property, with the exception of the  
18 Greyhound space. This year we opened the show at  
19 10:00 o'clock on Tuesday. At 10:40 we were out of  
20 parking, full.

21 So it's kind of likes Christmas. When you  
22 build a shopping center and you go to the City, the  
23 City requires you to build so many paces. You can go  
24 to that parking lot 11 months out of the year and it's  
25 empty, but at Christmas it's full.



1           So you have to have a certain amount of  
2 parking. And the code requires one for 100, which  
3 would be 1200. Our proposal would be to do 600, then  
4 do an additional 600 adjacent to it, and that would  
5 meet our needs.

6           You've got to keep in mind that the City  
7 built the fire station. That took over 300 spaces away  
8 from the convention center. When we build our building  
9 you're going to lose another 600.

10           The convention center is extremely under  
11 parked. And we have met them for the last 40 years  
12 really.

13           When we build our building we're going to  
14 have more parking. And with the plaza going back and  
15 forth, it works out perfectly. And with our proposed  
16 use for our new building, it works out perfectly.

17           MR. IRVIN: So under your scenario, is this a  
18 garage that you are envisioning that the District  
19 builds, leases, or just one that you are thinking you  
20 would build? How, in your mind, would that work?

21           MR. NORVILLE: This is a concept. We have to  
22 have parking, and that hasn't been addressed.

23           CHAIRMAN McCUSKER: Let's deal with the  
24 culvert issue first, because you spent a lot of time  
25 with this. You've done a lot of work with all the

1 principals.

2 How do we maximize that, both of those lots?

3 MR. SHEAFE: Well, Mr. Chairman, the  
4 responsibility of the Nor-Gen property is to discharge  
5 water, both historical and newly created, off on to the  
6 arena parcel at a location of their choice. Then it's  
7 up to the arena parcel to accept that water and deal it  
8 in the most efficient way we need to deal with in order  
9 for us to be able to maximize our development plan on  
10 the arena parcel.

11 So Nor-Gen really, from a practical  
12 standpoint, has two options. The first one would be  
13 from the northeast corner --

14 John, if you could -- yeah, right there.

15 They can go directly west. And if you see  
16 directly west, you see a little green patch, which is  
17 an arroyo. And they can just dump the water there, and  
18 then it's our problem to figure out what we do with it  
19 at that point.

20 The second alternative is to take the water  
21 from that same location and come along Granada and come  
22 down to their southeast -- or southwest corner, which  
23 is our southeast corner, and there's a collection box  
24 there, and dump the water into that collection box.

25 The problem for Nor-Gen is, if they follow

1 the Granada alignment it's, more expensive and involves  
2 more complexities than if they just go west.

3 The problem for us is, if Nor-Gen just goes  
4 west, we then have to build facilities to pick up the  
5 water and take it directly south to the same box. And  
6 there's considerable expense.

7 MR. GREINER: Here, 90, 90, hydraulically.

8 MR. SHEAFE: And we'll to build a piece  
9 around the bottom as well.

10 So I'm going to be making a motion.

11 CHAIRMAN McCUSKER: Plus you have three  
12 90-degree turns.

13 MR. SHEAFE: And there's other efficiencies  
14 that I think benefit both properties.

15 The motion that I'm going to make in a few  
16 minutes will, in effect, allow us the possibility of  
17 working an arrangement out with Nor-Gen, through a  
18 joint development agreement, where we can take the  
19 money that we're no longer going to have to spend and  
20 apply that to the Nor-Gen expense. If they decide that  
21 they want to develop that channel along the Granada  
22 alignment, and it will be at that point their choice as  
23 to which alignment they take, and then we'll simply  
24 react to it after they make their choice.

25 Does that explain what you asked?

1           CHAIRMAN McCUSKER:  What's the economics of  
2 all that?

3           MR. SHEAFE:  The economics are that we'll  
4 save approximately 62 percent of what Nor-Gen will  
5 spend in taking the Granada alignment.

6           So if we agree to -- and my motion will be a  
7 little more specific in this, because there's other  
8 elements.  But if we agree to pick up 62 percent of the  
9 cost of that Granada alignment, if that's Nor-Gen's  
10 choice, then that at least keeps us in a  
11 revenue-neutral position and helps them make a choice  
12 that may be more expensive for them, but in the end may  
13 be better for them both physically on the ground and  
14 also economically.

15           So that will be the motion that I will put  
16 forward.

17           CHAIRMAN McCUSKER:  What does that do on the  
18 arena lot?  Does that make it eminently more  
19 developable since we --

20           MR. SHEAFE:  Yes.

21           CHAIRMAN McCUSKER:  -- eliminated the arroyo?

22           MR. SHEAFE:  Well, it solves the problems of  
23 carrying the water further south, bringing it down and  
24 then taking it down around the south end of the  
25 property to a discharge point, which allows -- there's

1 existing pipes which pick it up at a certain point and  
2 carry into the Santa Cruz.

3 MR. GREINER: So you eliminate this open  
4 channel and this open channel.

5 MR. SHEAFE: Correct. Then it allows us more  
6 flexibility if we're not running water right through  
7 the middle of our property, which would control our  
8 development plan.

9 CHAIRMAN McCUSKER: Right now you couldn't  
10 put that parking garage, because that's a collection  
11 pond right there.

12 MR. SHEAFE: That's correct.

13 We have to deal with the property. Just like  
14 Nor-Gen has to deal with their water, well, we have to  
15 deal with our water, which includes the water they  
16 deliver to us, because they have a historical right to  
17 do that.

18 MR. GREINER: You're absolutely correct.  
19 This was a concept to maximize the lot, assuming you  
20 solve those problems.

21 MR. SHEAFE: When you want me to put forth a  
22 motion, I will.

23 CHAIRMAN McCUSKER: Any questions of John  
24 Alan or Chris?

25 Mr. Sheafe.

1           MR. SHEAFE: I would like to make a motion  
2 first having already stated what I stated. And this  
3 motion would be subject to not having any conflicts  
4 with any other interest holder in the arena property  
5 that may or may not exist.

6           My motion is to authorize the District  
7 counsel to prepare a joint venture agreement working  
8 with three members of the Board and Nor-Gen in a joint  
9 development effort to participate in the expense of  
10 alternative B, which is the Granada alignment  
11 alternative, with Nor-Gen if Nor-Gen elects to  
12 construct drainage structure along the Granada  
13 alignment, subject to the preparation, approval and  
14 execution by the Board of a statutorily-compliant joint  
15 development agreement between the District and Nor-Gen,  
16 the terms of which shall include at least the following  
17 provisions.

18           And I will give you a written example of this  
19 in case you miss part of it.

20           But one, to ensure that the District's  
21 participation is limited to the construction of  
22 elements common to alternatives A, which would be the  
23 north/south alternative, or B, the Granada alternative.  
24 The Rio Nuevo District must approval the final  
25 construction contract, including the scope of

1 construction services, between Nor-Gen and its  
2 contractor.

3           Number two. The participation by the  
4 District shall not exceed 62 percent of the total  
5 contract cost for common construction elements, and in  
6 no case greater than 855,000 before contingencies.

7           There is a rather large contingency number  
8 built into the estimated numbers, and I just took that  
9 out.

10           Third. That the payment will be made by the  
11 District to Nor-Gen upon the completion of construction  
12 and acceptance by the City of Tucson of the completed  
13 drainage facility into public ownership and  
14 maintenance.

15           And fourth. A construction contract must be  
16 executed on or before June 1st, 2014, and construction  
17 must be complete on or before December 1st, 2014.

18           And this is incorporated in the concept of  
19 the exhibition hall being started before the  
20 construction of the.

21           CHAIRMAN McCUSKER: Before you editorialize,  
22 I think that's a motion.

23           So we would need someone to second that.

24           MS. COX: Second.

25           CHAIRMAN McCUSKER: Now we have a motion and

1 a second.

2 Alan, do you want to comment?

3 Does this accomplish what -- is it enough  
4 detail for you to respond to that or do you need more  
5 time?

6 MR. NORVILLE: Mr. Chairman, for the record,  
7 in our discussions we discussed the parking, and the  
8 parking is an intricate part --

9 CHAIRMAN McCUSKER: We'll get to that next.

10 MR. NORVILLE: We can't go ahead unless we're  
11 assured that we have parking before we commence  
12 construction.

13 CHAIRMAN McCUSKER: Right now we're dealing  
14 with a motion that deals with the water.

15 MR. NORVILLE: I have no problem with that,  
16 Mr. Chairman. Thank you.

17 CHAIRMAN McCUSKER: Any further conversation?  
18 Michele, call roll.

19 MS. BETTINI: Janine Cox.

20 MS. COX: Aye.

21 MS. BETTINI: Mark Irvin.

22 MR. IRVIN: Aye.

23 MS. BETTINI: Chris Sheafe.

24 MR. SHEAFE: Aye.

25 MS. BETTINI: Alberto Moore.



1 MR. MOORE: Aye.

2 MS. BETTINI: Fletcher McCusker.

3 CHAIRMAN McCUSKER: Aye.

4 Voted five ayes, no nays, two not voting.

5 We pass we'll call it the Sheafe motion.

6 Mr. Collins.

7 MR. COLLINS: It's my understanding from that

8 motion that the Board is directing me to prepare an

9 agreement to come back for your final approval.

10 Is that everyone's understanding of that

11 motion?

12 CHAIRMAN McCUSKER: Yes.

13 MR. SHEAFE: Correct.

14 MS. COX: Yes.

15 CHAIRMAN McCUSKER: The three members of the

16 Board would be the same three that have been

17 negotiating this all along, which are in myself,

18 Mr. Sheafe, Mr. Moore, without any objection from the

19 other members.

20 MR. IRVIN: No.

21 CHAIRMAN McCUSKER: Okay. Parking. We have

22 made a commitment to continue to lease the property to

23 Nor-Gen during the gem show. I believe we're prepared

24 to commit to accommodate you're parking needs on a

25 permanent basis.

1           We don't know exactly how that would occur  
2 yet, and I'm not sure there's action we can take today  
3 that delivers any of that, but I think the commitment  
4 from us is to continue to provide a means of which the  
5 arena lot supports the adjacent parking requirements.

6           MR. COLLINS: Mr. Chairman.

7           CHAIRMAN McCUSKER: Go ahead.

8           MR. COLLINS: Just for everybody's  
9 understanding, the arena site, which is what the  
10 District obtained legal title to on the 19th of last  
11 month, is subject to a claim by Peach Properties.  
12 Peach Properties made a proposal to the City of Tucson,  
13 and before -- while City of Tucson had the property,  
14 and that proposal was not finalized, but Peach  
15 Properties has filed a notice of claim.

16           And you, as a Board, have to, in my opinion,  
17 deal with that claim before you can move forward with  
18 any finalizing of parking provisions on that arena  
19 site. The Peach claim is something that needs to be  
20 addressed one way or another.

21           MR. SHEAFE: Is it a problem to, while we're  
22 getting that done, give assurance that there will be  
23 parking in one form or another on that property?

24           MR. COLLINS: Mr. Sheafe, no. As  
25 Mr. Norville is aware, while the City owned that

1 property there was a right-of-entry agreement entered  
2 into annually, and that happened this last year. And  
3 until the District does anything of a permanent nature  
4 on the arena site, there's nothing preventing this  
5 District from providing assurances to Mr. Norville that  
6 it would make that property available to him on same or  
7 similar terms and conditions the City of Tucson has  
8 done for some time.

9 MR. IRVIN: You're saying that until we've  
10 decided what we're doing, that until we've decided what  
11 we're actually going to do with that property, you're  
12 saying that would extend until that occurred?

13 MR. COLLINS: It is my recommendation -- you  
14 folks certainly have a vote, but my recommendation is  
15 that you don't make any final commitment on what you do  
16 with the arena site until you've decided overall what  
17 you're going to do.

18 Because I think until there's a final  
19 approach that you folks have decided to on the arena  
20 site, you certainly can make a commitment to, as I say,  
21 make the property available to Mr. Norville or his --  
22 Nor-Gen on the same or similar terms the City has done  
23 for years. I don't see a problem with that.

24 CHAIRMAN McCUSKER: Go ahead.

25 MR. IRVIN: No. I was going to say there's

1 so much kind of intertwined in that, and between the  
2 two it would seem to me to make sense that we would  
3 authorize the same group who is working on Alan's  
4 parcel to also work with Ron Schwab and his Peach  
5 Properties on the adjacent parcel. Those really are  
6 intertwined.

7 So I'd like to make a motion that we  
8 authorize those three, along with counsel, to start  
9 entering into those discussions and then come back to  
10 the Board with what that might look like.

11 MR. SHEAFE: Second.

12 CHAIRMAN McCUSKER: If he's -- he can't  
13 second that, can he, if he's been asked to negotiate?  
14 Should he second that motion?

15 MR. COLLINS: He can do that, sure.

16 I mean, it's been the executive officers  
17 generally that have been --

18 CHAIRMAN McCUSKER: This is not the executive  
19 office. This is a --

20 MR. IRVIN: My motion to that specifically  
21 tied -- I was taking myself out of that loop because I  
22 haven't been intricately involved in the discussions  
23 with Alan. It seemed to me those two are heavily tied.

24 MR. COLLINS: So you're suggesting that one  
25 or a combination of --

1           CHAIRMAN McCUSKER: Same three people.

2           MR. IRVIN: Three people, same three people.

3           CHAIRMAN McCUSKER: Schwab, he's going to  
4 negotiate with Nor-Gen.

5           Can he second that motion?

6           MR. COLLINS: He can.

7           CHAIRMAN McCUSKER: All right.

8           So you have a motion and a second.

9           Let's discuss this. What are you hoping to  
10 accomplish? Just moving the ball.

11          MR. IRVIN: I would like to move the ball.

12          I think we need to try to understand what  
13 Peach Properties' situation is, then also try to see  
14 how we can blend those two to allow Alan to do what he  
15 wants to do and allow us to move forward with the arena  
16 parcel. And I've got confidence that those three folks  
17 know how to make that -- push that thing along and  
18 bring it back to us and we can look at it.

19          CHAIRMAN McCUSKER: For the record and for  
20 the public, touch on the highlights again of the Peach  
21 claim. What's the nature of the claim?

22          MR. COLLINS: The nature of the claim is  
23 that -- I don't have the dates in front of me for that.  
24 I apologize.

25          But while the City owned the arena site, the

1 City put out an RFP, request for proposals. It had  
2 three options. Those three options really get down to  
3 two. You can either propose to buy the entire parcel  
4 or lease the entire parcel on a long-term basis.

5 There were, as I recall, three folks that  
6 made proposals. May have been only two. But,  
7 ultimately, sometime before 2011, as I recall, the City  
8 authorized its staff to begin negotiating with Peach  
9 Properties to try and reach an agreement with respect  
10 to the development of the arena site.

11 After that, the District filed a recorded a  
12 memorandum of dispute between the City and the  
13 District, and it affected their arena site.

14 After that, the District filed a lawsuit and  
15 the lis pendens that affected the arena site and  
16 others. And things, as I understand it, between Peach  
17 and the City stopped.

18 Ultimately, those two lawsuits were dismissed  
19 in connection with the settlement agreement that was  
20 signed with the City back in February of last year.

21 So Peach's claim is, gee, we went through the  
22 process to bid on it and, as they say in their notice  
23 of claim, you didn't negotiate with us in good faith,  
24 and so we want the property or, as I recall, it's a  
25 \$19 million damage claim.

1           MR. SHEAFE: Did any obligation that the City  
2 may or may not have transfer to the District once we  
3 took the arena parcel under our ownership?

4           MR. COLLINS: In my opinion it did. The  
5 agreement with the City and the settlement agreement  
6 says that if the District elected to take title, as the  
7 Board did, to the arena site, it takes it with all of  
8 it's -- not very artful term -- all of its warts, which  
9 include the claim made by Peach Properties. That  
10 claim, as I say, is based upon the whole process that  
11 went on between Peach and the City before the District  
12 took title.

13           CHAIRMAN McCUSKER: I have a motion and a  
14 second to allow myself, Mr. Moore and Mr. Sheafe to  
15 negotiate what I'm going to call a settlement with  
16 Peach Properties. If we can't do that, obviously, we  
17 have other options.

18           But I think the purpose of this motion, as I  
19 understand, is to try and come to a conclusion and  
20 agreement and --

21           MR. IRVIN: Bring it back for approval.

22           CHAIRMAN McCUSKER: That would be good for  
23 all parties.

24           MR. IRVIN: You bet.

25           CHAIRMAN McCUSKER: All right.

1 Michele, call the role.

2 MS. BETTINI: Janine Cox.

3 MS. COX: Aye.

4 MS. BETTINI: Mark Irvin.

5 MR. IRVIN: Aye.

6 MS. BETTINI: Chris Sheafe.

7 MR. SHEAFE: Aye.

8 MS. BETTINI: Alberto Moore.

9 MR. MOORE: Aye.

10 MS. BETTINI: Fletcher McCusker.

11 CHAIRMAN McCUSKER: Aye.

12 Voted five ayes, no nays, two not voting. We  
13 pass that motion.

14 So Mark, we'll try and get that going as soon  
15 as we can.

16 Anything else on the arena lot?

17 So we got half the way there.

18 The west side parcel, Mark, any update for us  
19 on item number nine.

20 MR. COLLINS: At this point, we're about  
21 where we're were last time.

22 I have asked WLB Group to complete a draft of  
23 the ALTA. With that draft of the ALTA we will have a  
24 legal description. That legal description will have  
25 the eastern boundary and so forth.



1           Based on the process that we had to go  
2 through to deal with the arena site, my plan is to  
3 prepare a deed and deliver it to the City for their  
4 consideration in the hopes to advance the ball on that  
5 now that the arena site's behind us.

6           CHAIRMAN McCUSKER: Any questions on the west  
7 side?

8           Okay. Nancy, we have received the  
9 nominations for the Rio Nuevo name change. These are  
10 high school seniors, per our rules, that submitted  
11 these. They've been passed on to us by each one of the  
12 ward counsel members. They selected Nancy write three  
13 each. A outright winner of each ward receives a  
14 scholarship.

15          MS. MONTOYA: Correct.

16          CHAIRMAN McCUSKER: And then the overall  
17 winner was designed to receive a scholarship that would  
18 be matched by Pima and the U of A.

19          MS. MONTOYA: Correct, Your Honor.

20          MS. BETTINI: Could you announce yourself.

21          MS. MONTOYA: Nancy Montoya, principal with  
22 Nonprofit News Source.

23          CHAIRMAN McCUSKER: So let's do it by ward.

24          Nancy, we're doing all this in the open  
25 meeting. So if you will kind of go through the name, a

1 little bit behind the history of -- each student was  
2 asked not only to submit a name, but also an essay on  
3 how they came up with the name.

4 I don't know that we need to read the whole  
5 thing. Maybe if you could kind of paraphrase for us.

6 And we're going to do this ward by ward.

7 MS. MONTOYA: Okay.

8 CHAIRMAN McCUSKER: So starting with Ward  
9 One, council member Romero.

10 MS. MONTOYA: Okay. The three, the first one  
11 is Nuestro Centro, which is our central area, our  
12 community center.

13 Cerro Viejo, The Old Desert.

14 Villa Del Rillito, which is the Village of  
15 the Little River.

16 And I think you folks have had a chance to  
17 read through them. So if there's no questions, you can  
18 let me know which one is selected.

19 Again, we did not put the names or the  
20 schools of the students on this, but I have the master  
21 here. So if anybody is curious as to where they come  
22 from, happy to oblige.

23 MS. COX: Mr. Chairman, I would like to move  
24 that for Ward One we select as the winning entry  
25 Nuestro Centro.

1 MR. IRVIN: I'll second that.

2 CHAIRMAN McCUSKER: Any discussion about that  
3 entry?

4 All in favor say aye.

5 Any opposed?

6 (Board votes unanimously and motion carries.)

7 CHAIRMAN McCUSKER: All right. You have a  
8 winner for Ward One.

9 Do you want to announce who that is?

10 MS. MONTOYA: Very fast. That's good.

11 That was Nuestro Centro, which is submission  
12 number 14, Shantelle Lopez. And she is from Sunnyside  
13 High School.

14 CHAIRMAN McCUSKER: Okay. And you are going  
15 to reach out to them. Maybe we'll have something with  
16 all the kids.

17 Okay. Ward Two.

18 MS. MONTOYA: Ward Two, Councilman  
19 Cunningham's.

20 His number one submission was Sentinel  
21 Square.

22 The second one was Esperanza Project.  
23 Esperanza is kind of the Hope Project in Spanish.

24 And the third submission was Corazon Del  
25 Oesta, the Heart of the West.

1 MS. COX: Mr. Chairman, I'd like to move that  
2 for Ward Two we select as the winner Sentinel Square.

3 MR. SHEAFE: Second.

4 CHAIRMAN McCUSKER: Okay. We have a motion  
5 and a second that Ward Two winner will be Sentinel  
6 Square.

7 All in favor say aye.

8 Any opposed?

9 (Board votes unanimously and motion carries.)

10 CHAIRMAN McCUSKER: We have a winner for Ward  
11 Two.

12 Who is that?

13 MS. MONTOYA: Comes from Amphitheater High  
14 School, Alan Villasenor.

15 CHAIRMAN McCUSKER: Okay. Ward Three.

16 MS. MONTOYA: Moving on to Ward Three.  
17 Karen, council member, Uhlich.

18 Nueva Vista. Nuevo Barrio Old Pueblo. The  
19 final one is Nuevo Barrio Santa Cruz.

20 MS. COX: Mr. Chairman, I'd like to move we  
21 select as the winner of Ward Three Nueva Vista.

22 MR. IRVIN: Second.

23 CHAIRMAN McCUSKER: Nueva Vista has a motion  
24 and second for Nueva Vista.

25 All in favor say aye.

1 Any opposed, nay.

2 (Board votes unanimously and motion carries.)

3 CHAIRMAN McCUSKER: We have Ward Three  
4 winner.

5 Who is that?

6 MS. MONTOYA: All right. You guys are fast.

7 Nueva Vista comes from Paula Garcia at  
8 Sunnyside High School.

9 CHAIRMAN McCUSKER: Congratulations, Paula.  
10 Ward Four.

11 MS. MONTOYA: All right.

12 Council member Scott submitted Neo Tucson,  
13 Casa Del Sol, and Sentinel Peak Midway.

14 MS. COX: Mr. Chairman, I'd like to move that  
15 for Ward Four we select Neo Tucson.

16 MR. IRVIN: Second that one.

17 CHAIRMAN McCUSKER: All right.

18 Is that Spanish or is that modern?

19 MS. MONTOYA: Neo, you know, I don't know.  
20 Sorry. I don't know.

21 CHAIRMAN McCUSKER: Has a motion and second.  
22 All in favor say aye.

23 Any opposed, nay.

24 (Board votes unanimously and motion carries.)

25 CHAIRMAN McCUSKER: All right. That's your

1 Ward Four winner.

2 Who is that?

3 MS. MONTOYA: It's from Marana High School,  
4 Brittany Brandriff.

5 CHAIRMAN McCUSKER: Spell it for the record.

6 MS. MONTOYA: Marana?

7 CHAIRMAN McCUSKER: Yes.

8 MS. MONTOYA: Oh, Brittany, you want that  
9 one.

10 B-R-I-T-T-A-N-Y. Brandriff is  
11 B-R-A-N-D-R-I-F-F.

12 CHAIRMAN McCUSKER: Council Fimbres' ward,  
13 Ward Five.

14 MS. MONTOYA: Mr. Fimbres is here some place.  
15 All right. Mr. Fimbres' number one pick was  
16 the Tierra De Esperanza.

17 The second one is Pueblo de Vida.

18 And the third one is Surge Nueva Vida. Surge  
19 Neuva Vida. Whoa. That's a mouthful.

20 MS. COX: Mr. Chairman, I'd like to move that  
21 for Ward Five we select as the winner Pueblo de Vida.

22 MR. IRVIN: I'll second it just because I'm  
23 on a roll.

24 MS. COX: Good.

25 CHAIRMAN McCUSKER: All right.

1           Have a motion to second for Ward Five winner,  
2 Pueblo de Vida, Village of Life.

3           All in favor say aye.

4           Any opposed?

5           (Board votes unanimously and motion carries.)

6           CHAIRMAN McCUSKER: That's your Ward Five  
7 winner.

8           That student is?

9           MS. MONTOYA: From Sabino High School.  
10 Suzanne Langlais. L-A-N-G-L-A-I-S, I believe. She's  
11 from Sabino High school.

12           CHAIRMAN McCUSKER: Finally, Councilman  
13 Kozachik's ward.

14           MS. MONTOYA: All right. Hold on a second  
15 here.

16           Okay. We have three from there also.

17           Nuevo Tucson, Pueblo Nuevo and Corazon Del  
18 Pueblo.

19           MS. COX: Mr. Chairman, I move that we select  
20 as the winner of Ward Six, Nuevo Tucson.

21           MR. IRVIN: I'll second that.

22           CHAIRMAN McCUSKER: All right.

23           All in favor say aye, opposed no.

24           (Board votes unanimously and motion carries.)

25           CHAIRMAN McCUSKER: Those are the Ward

1 winners.

2 MS. MONTOYA: You want to know where they  
3 came from?

4 University High school. And that was Matthew  
5 Giampapa, G-I-A-M-P-A-P-A.

6 Also, Mr. Chair, City Council members have  
7 asked me to ask you if it would be okay for them to  
8 hold some kind of a ceremony at one of that their  
9 council meetings to announce the winners, and perhaps  
10 invite you folks to come on Board and do a formal  
11 presentation to the kids.

12 CHAIRMAN McCUSKER: Any three of us could go,  
13 right?

14 MR. COLLINS: Yeah. Need three people.

15 CHAIRMAN McCUSKER: Unless we have a public  
16 meeting and announce it, do all that stuff.

17 Yeah, we definitely want to figure out how to  
18 recognize these students.

19 So you will reach out to them right away --

20 MS. MONTOYA: I will.

21 CHAIRMAN McCUSKER: -- and let them know they  
22 won?

23 MS. MONTOYA: I'll let all 104 students, I'll  
24 let them all know who won.

25 CHAIRMAN McCUSKER: Maybe some sort of



1 release so that the public knows.

2 We're going to defer on the overall winner  
3 until I have a full Board. I want everybody to be  
4 involved in that --

5 MS. MONTOYA: Sounds good.

6 CHAIRMAN McCUSKER: -- final process.

7 Nancy, you did a great job. Thank you very  
8 much?

9 MS. MONTOYA: Thank you.

10 CHAIRMAN McCUSKER: Okay. Don, tell us  
11 what's going on with your block.

12 Name for the record.

13 MR. BOURN: Don Bourn, Bourn Companies, 3915  
14 East Broadway.

15 This is just an interim update. I'll be  
16 submitting my next report at the end of the month,  
17 so --

18 CHAIRMAN McCUSKER: Hit the slide show slide.

19 MS. COX: You said in a month?

20 MR. BOURN: At the end of the month. I think  
21 we're doing it on a quarterly basis. So I think we  
22 came in on October when we kicked things off, reported  
23 again at the end of the year, and then every quarter  
24 thereafter.

25 CHAIRMAN McCUSKER: Will you run the slide

1 show?

2 MR. BOURN: What I did here, I just wanted --  
3 this is what we've already seen presented earlier, and  
4 since then we've had -- these are some additional  
5 concepts.

6 CHAIRMAN McCUSKER: Go to the top where it  
7 says slide show. All the way to the top. Keep going  
8 up, up, up. Very top.

9 Now you lost the file. Go back.

10 MR. COLLINS: Click slides.

11 CHAIRMAN McCUSKER: Come back to that. All  
12 the way to the top where it says insert design,  
13 transitions, animations, slide show. Click on that.  
14 Click on from the beginning.

15 MS. BETTINI: Sorry. Okay.

16 CHAIRMAN McCUSKER: Now you're in the slide  
17 show business.

18 MS. BETTINI: Thank you.

19 MR. IRVIN: Multi-talented.

20 MR. BOURN: So what I thought we'd do, we can  
21 move through -- these are what you've already seen.  
22 You can go through these initial ones.

23 So these are pretty drawings, and now we're  
24 trying to get down to the bottom line of exactly the  
25 details of what we can build.

1           Rob Paulus has done a number of studies in  
2 looking at some architectural details. And this sketch  
3 gives you idea of the direction that we're going.  
4 We're going to follow this in more technical drawings  
5 that we've had completed in order to get preliminary  
6 pricing from multiple contractors.

7           This is a site plan consistent with what we  
8 talked about before, but starts to have a lot of detail  
9 and starts to have a lot of notes so the contractor can  
10 understand what we're trying to do to give us  
11 preliminary cost estimates.

12           We've interviewed a number of contractors for  
13 the qualifications, and we've used this process to work  
14 through to understand what people's creative ideas  
15 could be and range of costs. And then from this point  
16 we expect to have a second round of pricing in today,  
17 and then from that point we've now narrowed the number  
18 of contracts down to three contractors. From this  
19 point we'll sit down, interview them, go through  
20 everything we've looked at, then we'll select one  
21 contractor we can work with going forward.

22           So this is a good example. If you go back to  
23 that last slide. We've gone into a lot of detail in  
24 terms of understanding what the unit mix will be and  
25 what the level of finish quality of the units and

1 really understanding what we're building here in order  
2 to really have a good scope of the project. So what we  
3 have in here, we have elevations, we have site plans,  
4 floor plans and some sections of the building.

5           General thought to refresh everyone's memory,  
6 is one floor of retail, small lobby and four floors of  
7 residential units above, six units per floor. All of  
8 them are two bedroom units. Anywhere from two units on  
9 each floor would be a thousand to 1200 square feet,  
10 then four units would be 1300 to 1600 square feet. The  
11 four units on all the corners would also have what we  
12 call a flex room, which can be an office, can be a den,  
13 can be third bedroom, can be a craft room, storage  
14 room.

15           Then the other thing you will see on here  
16 that we've incorporated since we talked last time,  
17 we've really tried to look at providing significant  
18 outdoor area for people to have more than just a little  
19 balcony, but actually have a significant indoor/outdoor  
20 living component because of the configuration of the  
21 property. So we've really tried to refine the scope  
22 dramatically, and we've spent a lot of time kind of  
23 working through the details of the project.

24           So the focus on each floor plan -- still have  
25 some work to do with the floor plans, by the way. I

1 don't know what happened to our -- just can't get --

2           Quite frankly, the work we've been doing is  
3 all the behind the scenes, kind of the making of the  
4 sausage type thing where we're really working on  
5 conceptualizing this, figuring out exactly what the  
6 product is. Feel like we've made a lot of progress.

7           Like I said, we hope to select a contractor.  
8 The initial pricing came in as you would expect, over  
9 what the budget is. And we would hope -- we were kind  
10 of expecting that, because we've put our whole wish  
11 list here in terms of all the things we were hoping for  
12 in order to understand what everything would cost.

13           Now the process is to kind of rework and kind  
14 of figure out how to value engineering, how to make the  
15 project the economic points we want. Obviously, there  
16 are tradeoffs between putting more into the project and  
17 higher rents and just figuring out exactly where that  
18 is.

19           We feel like we're, you know, basically on  
20 schedule from what we talked about before. Probably  
21 hoping to have this phased down a little quicker, but  
22 done a lot of coordination. But if things continue to  
23 evolve the way we expect, we feel like we should be in  
24 a position where we can come back in and start asking  
25 for formal approval of plans sometime yet -- hopefully,

1 next two or three months.

2 CHAIRMAN McCUSKER: What's going on with the  
3 trading post?

4 MR. BOURN: So the Indian Trading Post and  
5 the annex, we look at all three, even though the annex  
6 isn't officially part of the Rio Nuevo Project. In our  
7 minds it is.

8 We've had -- we've done enough work in both  
9 buildings in order to have hard prices on both interior  
10 demolition and environmental remediation. So those we  
11 have hard prices on both. We can start that at any  
12 time. Our feedback we've had from contractors is that  
13 it would make economic sense to try to do that together  
14 when they are on board.

15 Also, I should say -- state that we've -- Art  
16 Wadlund and Rob Caylor, on One East Broadway, they've  
17 been using the site for staging for their project. So  
18 that is being completed now and will have the property  
19 returned to a normal state.

20 One of the things I want to throw out while  
21 we're on the topic, is that we are open again to  
22 utilizing the property in the interim for different  
23 types of events and uses or whatever, if there's  
24 benefit to that.

25 To wrap up on the Indian Trading Post and the

1 annex, our next steps are to do that interior  
2 demolition, which is really peeling out a lot of the  
3 junk, a lot of the floor coverings, maybe get down to  
4 the brick walls, get to the wooden trusses, get to a  
5 building that people can start to appreciate the true  
6 character of it. Right now both of those buildings are  
7 pretty ugly and messy inside, and have lots of little  
8 walls and offices and so forth that doesn't really  
9 allow someone to visualize what it can be.

10 MR. SHEAFE: Do you still have the joint  
11 parking concept with Caylor? And also, do you still  
12 have that open space that you were talking about  
13 earlier?

14 MR. BOURN: Yes to the second question.

15 On the first question, Art and Rob have been  
16 open -- I mean, we haven't finalized an agreement  
17 because we don't know -- we have to wait until we  
18 commit to something before we do that. But they've  
19 continued to state that that's -- they are happy to do  
20 that. So we're in position where we're planning on  
21 doing that with them.

22 MR. SHEAFE: Do you have any understanding of  
23 the value range you're going to be in? Is it a little  
24 premature for that or are you targeting a specific, you  
25 know, point that you are trying to design around?

1           MR. BOURN: Well, I guess we are orienting  
2 this towards mid-level, upper-level executives and  
3 empty nesters, people that are moving out of a detached  
4 home that don't need the space, but still looking for a  
5 certain lifestyle.

6           And so that's why we thought having larger  
7 outdoor living and having someone be able to live the  
8 lifestyle they are used to, where they are used to  
9 doing things outside, plenty of storage, some extra  
10 space to be able to facilitate what their ongoing needs  
11 are. So we're going to be on the upper end of pricing.

12           The other side of that is that there's been a  
13 lot of real small units that have been built, studios  
14 or one bedrooms, and because of the size of our project  
15 and the parking, it limits the flexibility of what we  
16 can do. So we've kind of tried to get everything to  
17 work together in order to build the right product that  
18 kind of works for the site.

19           In terms of the true rents, that's really the  
20 big question. Because any rent that we're looking at  
21 is going to be on the upper end or breaking records.  
22 Because in order to do a project, you have to believe  
23 that you can do that, otherwise, you have to no ability  
24 to do a project based on costs.

25           MR. IRVIN: So million dollar question.



1           When do you think you will break ground? Do  
2 you think you will be back to us looking for approval  
3 to move forward?

4           MR. BOURN: I think it's still consistent  
5 what we said last time. Fourth quarter or first part  
6 of next year, somewhere in that range. By the time you  
7 do working drawings, permits, work out all the details  
8 of all the things we talked about -- all the work goes  
9 into the project up front. Once you get to the point  
10 where you can start construction, that all kind of goes  
11 as planned.

12           CHAIRMAN McCUSKER: Is the financing market  
13 improving?

14           MR. BOURN: I think it is, yes. For  
15 multi-family, the financing market is improving.

16           And this doesn't fit into the normal type of  
17 project. Somebody's going to have to believe in urban  
18 housing. This isn't a 150, 250 unit suburban project  
19 that we're used to in this community.

20           So we're -- we've had preliminary discussions  
21 with vendors that are interested in looking at pursuing  
22 it, but we're not in a position yet to start asking for  
23 commitments until we know exactly what it costs, what  
24 the rents are going to be, and give them a market study  
25 and all the things that we need to do to give them

1 information to make a decision.

2 CHAIRMAN McCUSKER: Anything else for Don?

3 Don, thank you very much?

4 MR. BOURN: Okay.

5 CHAIRMAN McCUSKER: We're good, except for  
6 call to the audience.

7 Michele, did we get any?

8 MS. BETTINI: No.

9 You need to do schedule.

10 CHAIRMAN McCUSKER: Probably can't without  
11 the two missing Board members. I think we'll try and  
12 do it by e-mail.

13 MS. BETTINI: Okay.

14 MR. COLLINS: Are you formally tabling the  
15 name change issue until next time?

16 CHAIRMAN McCUSKER: Yes.

17 MS. COX: The finalists, yes.

18 CHAIRMAN McCUSKER: We're not going to take  
19 it any further than what we did today.

20 MR. COLLINS: Right. I just wanted to have  
21 that on the record, because you didn't talk about that.

22 CHAIRMAN McCUSKER: All right.

23 Entertain a motion to adjourn.

24 MS. COX: So moved.

25 CHAIRMAN McCUSKER: All in favor say aye.

1 (Board votes unanimously and motion carries.)

2 CHAIRMAN McCUSKER: See you next time.

3 (Adjourned at 4:20 p.m.)

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C E R T I F I C A T E

STATE OF ARIZONA )  
  ) ss.  
COUNTY OF PIMA     )

BE IT KNOWN that I took the foregoing proceedings; that I was then and there a Certified Reporter, CR No. 50218, in the State of Arizona; that said proceedings were reduced to writing under my direction.

I DO FURTHER CERTIFY that I am not a relative or attorney of any party, or financially or otherwise interested.

WITNESS MY HAND this 12th day of March 2014.

\_\_\_\_\_  
ANTHONY C. GARCIA, RDR, CR  
Certified Reporter No. 50218