

Pursuant to A.R.S. §38431.02, 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.

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

**Monday, April 15, 2013
1:00 p.m. MST Regular Meeting At
400 W. Congress Street, Room 158
Tucson, Arizona 85701**

AGENDA

- 1. Pledge of Allegiance**
- 2. Roll Call** (2 min)
- 3. Board Meeting Minutes** - Discussion and approval of the March 18, 2013 meeting transcript.
- 4. Executive Session-** (Approximately 60 Minutes) (Room 152) Upon a public majority vote of members constituting a quorum, the Board of Directors may hold an executive session in accordance with A.R.S. §38431.03 (A) (1), (3) and (7) for discussion and legal advice concerning potential settlement and the District's position in litigation or threatened litigation, providing direction to the District's legal counsel on the following matters. To comply with §38431.03(B), all electronic devices, including cell and smart phones, iPads, notebooks, tablets and laptops should be turned off and stored during Executive Session.
 - a. Kromko Litigation / Thrifty Block
 - b. Garfield/Traub Litigation
 - c. Arena Lot Due Diligence
 - d. Fiscal Year June 30, 2012 Audit
 - e. Employment Issues

Reconvene board meeting at approximately 2:30

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5. Chairman's Update - (20 Minutes)

This meeting will focus on the TCC Arena remodel. We hope to have a budget submitted by our architect and we can begin to identify priorities and begin to solicit bids.

The secondary mission of the District is to help launch a downtown hotel and developer Scott Stiteler submitted a request for assistance in that regard at the last meeting. Two of the sitting members have a disclosed conflict of interest with Mr. Stiteler and therefore cannot participate in the matter. The Chairman and Scott Stitler were co-guarantors of a loan the Rialto Theatre had arranged with Alliance Bank. That arrangement terminated in 2012 but Rio Nuevo attorneys believe there is a time period after a conflicting relationship ended that still creates a conflict. Mr. Sheafe and Mr. Stiteler are partners in another project, outside of downtown, so he will also not be able to participate in the hotel discussion.

6. Fiscal Year June 30, 2012 Audit-Possible Action (20 Minutes) –

Jim Lovelace of Beach Fleishman will present the final fiscal year June 30, 2012 audit for board approval.

The Construction in Progress assets have been written down by approximately \$19,000,000 dollars. Items that have been eliminated include the Convention Center hotel (\$9.9 M), the TCC expansion (\$2.2 M), and a new TCC parking garage (\$1.6). These \$14 million worth of projects were abandoned and deemed to have no remaining asset value.

Another \$4.4 million was taken out of construction in progress for the TCC east entrance project. That project costs will now be depreciated.

Asset value will improve in the current year as the city turns over properties to the District as the result of the global settlement.

Rio Nuevo had a profit in 2012 of \$2.7 million dollars.

The District's asset base will improve in the current year as the COT titles over to us the arena lot and the Westside acreage. The auditors determined that these entries should be made in the current year.

7. TCC Arena Proposal (20 Minutes) - Elaine Weaver Project Manager, Phil Swaim Architect.

The TCC Project Manager will update the Board and we will be asked to approve some initial expenses including architect and engineering costs.

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8. West Side Parcels Development Research-Possible Action- WLB Group

WLB has done significant work on the Westside and can help the District understand what can and cannot be developed and where on the Westside. WLB is willing to assemble and review the multiple layers of planning studies, public input and design work completed to date, previous recommendations, governmental actions, understandings and their impact on the work to follow. Based on this benchmark research and review study, any additional required information could be identified, a planning program could be developed with Rio Nuevo and City input and a very schematic concept land use and circulation plan prepared. Cost estimate is under \$50,000.

9. Cushing Street Intersection-Possible Action

Assuming the District moves forward with the Arena lot property the engineers have proposed a continuation of Cushing Street at Granada and then north to Congress and a new intersection there would also eliminate the arroyo and provide egress to the lot and adjacent parcels. The District will review plans and costs for the project.

10. CFO Report - Bill Allen (20 Minutes)

Financial update

11. Legal Report- Mark Collins (20 Minutes)

- a. Kromko Litigation / Thrifty Block
- b. Garfield/Traub Litigation
- c. Arena Lot Due Diligence
- d. Southwest Gas Easement Request. Southwest Gas has requested an easement to place a gas line under the open space to the south of the Rialto Theater. The purpose of the gas line is for use by and development of the adjacent property owned by Rialto Block Project, LLC.

12. Capital Plan

The District board will begin to prioritize its available capital and identify projects that deserve further review and further expense.

13. Call to the Audience

Presentations are limited to 3 minutes per speaker, for 15 minutes in sum. All those interested in speaking should submit a Speaker's Card that will be made available at the meeting.

14. Adjournment

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