



# Rio Nuevo

TUCSON, ARIZONA

400 West Congress, Suite 152 ~ Tucson, AZ 85701 ~ 520-623-7336 ~ FAX: 520-882-3699 ~ info@rionuevo.org

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For Immediate Release: **“Rio Nuevo Board votes to grant easements to facilitate downtown development”**

Organization: Rio Nuevo District Board

Contact: Michele Bettini, 520-623-7336

The Rio Nuevo District Board held a Special Meeting on April 24, to address the issue of an easements requested by downtown businesses to facilitate a timely opening of their operations. The Board also requested a presentation by auditors who offered a detailed explanation for auditing decisions.

Two new restaurants are now set to open in early May and the District was asked to grant two easements on the south end of the Rialto Theater property. The purpose of the easements is to allow a gas line and underground sewer. Because of their previously declared statutory conflicts with project developer, Scott Stiteler, neither Chairman Fletcher McCusker nor Treasurer Chris Sheafe participated in the discussion. The proposal passed on a vote of 5-0.

The District's Settlement Agreement with the City of Tucson provided the District with forty-five days to elect whether to take title to the property generally known as the "Arena Site." At the April 15th regular Board meeting, the Board elected to take title to the Arena Site subject to approval of a completed ALTA survey. Consistent with the language of the Settlement Agreement, the attorneys for the City of Tucson and the District have now agreed upon a protocol to extend this election deadline to allow such a survey to be completed. The Board voted to extend the deadline and approved up to \$12,000 to be spent on the survey.

Many concerns have been raised by the public regarding the 2012 Audit released by the District on April 15, 2013. Auditors advised the Board and public that the Fox debt was not "written off" as alleged. In fact auditors explained that this first "clean audit" reserved the Fox debt as a future collectable. Attorneys advised the Board that the prior Board had agreed to a clause in a past agreement that prevents Rio Nuevo from suing the Fox for payment until 2015 and as a result, the debt should be held in reserve.

Board members agreed that Jonathan Paton was retained in February as requested on a five month trial basis for \$25,000. The Board acknowledged that Rio Nuevo is three months into that five month agreement and that Paton will be asked to present to an upcoming Rio Nuevo Board meeting.