



For Immediate Release  
March 1, 2017  
Contact: Fletcher McCusker  
(520) 547-0090

## **Rio Nuevo Approval Brings Two New Hotels in Downtown Tucson Closer to Reality**

Adding to Downtown Tucson's continued rapid growth, the Rio Nuevo Board provided major assistance Tuesday to two new proposed downtown hotels – creating an agreement that will allow both developers to move forward quickly with their projects.

Even before the AC Marriott being built at Broadway and 5<sup>th</sup> Avenue opens, Marriott has committed to a second hotel just a block away with the same development team. Scott Stiteler announced a Moxy Hotel, which will be located above the Depot Garage just west of Hotel Congress.

Another sign that national interest in Downtown Tucson's vibrant evolution continues to grow, Caliber Hospitality, based in Scottsdale, plans to build a 125-bed hotel in the east parking lot of the recently remodeled Tucson Convention Center.

The Rio Nuevo Board at its meeting Tuesday, February 28, approved term sheets that would provide for both hotel developers to be rebated their portions of the state sales tax (TIF) that Rio Nuevo receives. "We're making the difference," said Rio Nuevo Chairman Fletcher McCusker. "Bridging the financial gap for both hotels makes the plans work and can bring these exciting new facilities to our growing downtown." Additional coordination with the City of Tucson will be needed to finalize both hotels.

"Tucson is definitely on the national radar," said McCusker, following the Board's meeting on Tuesday at which the board approved the two proposals. "With the creativity shown by Rio Nuevo in participating in deal structures through rebates, gap financing, equity participation, build/ lease and infrastructure support, we have become a huge partner in a variety of developments in addition to hotels: retail and restaurant, corporate headquarters, bus terminals, concert venues, entertainment halls and residential. We are hitting on all cylinders with a mission to finish our downtown in five years and substantially increase the tax base."

The Moxy describes itself as a "free-spirited" hotel and is geared to the millennial traveler with smart phone room access, a 24-hour bar, and a reputation as a hotel with attitude. Tucson is evolving into a city like New Orleans, San Francisco, New York, Miami, Los Angeles and Chicago – an elite place among urban, hip and walkable downtowns.

Caliber's development also includes a new parking garage to serve the hotel and downtown and increases available parking for TCC events.

"Downtown Tucson is currently home to 65 restaurants, 2,200 new apartment units, two of the most successful concert venues in the United States, sold-out arena shows, and more of everything coming," McCusker said. "It is a great time to be involved with our downtown and the Rio Nuevo Board has found unique and creative ways to help fund these developments."

The creation of the Rio Nuevo Multipurpose Facilities District was approved by Tucson voters in 1999, along with an appointed Board, to invest state tax dollars in public and public/private projects to create a vibrant Tucson core. For every dollar the Board invests, the community reaps approximately \$10 of construction activity with projects like the AC Hotel Tucson by Marriott, The Arena, Greyhound, The Mercado Annex, City Park, The Marist project, and Caterpillar. For more information, visit <http://rionuevo.org>.