



For Immediate Release
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Rio Nuevo Advances Downtown Hotel and Retail/Restaurant Block

The Rio Nuevo Board of Directors took steps last week to advance the development of a hotel and nearby retail and restaurant block in downtown Tucson.

At its meeting Tuesday, April 25, the Board unanimously approved rebating site-specific sales tax to the developer of a Marriott Moxy Hotel on 5th Avenue and Toole and the “200 Block” of East Congress Street. Rio Nuevo will rebate sales tax generated both by the hotel and by the new businesses of the “200 Block” to the developers. The Board commissioned an independent economic analysis of the two projects and will review the results before signing off on final approval of the agreements. Approval is also subject to agreement by the City of Tucson.

Scott Stiteler is developing both the Marriott boutique hotel above the Depot Garage just west of Hotel Congress and the “200 Block.” Stiteler is also nearing completion of the AC Marriott Hotel at Broadway and 5th Avenue. Rio Nuevo is also rebating sales tax that would have been collected from that project.

“This takes us closer to seeing three major additions to our thriving downtown,” said Rio Nuevo Board Chairman Fletcher McCusker. “We’ll have two innovative hotels within a few blocks of each other and, with a re-energized ‘200 Block,’ there will be a new retail and restaurant center in between them.” The “200 Block” encompasses the south side of Congress Street from 5th Avenue west to Arizona Avenue.

The Board also reaffirmed its plan to partner with private developers, where appropriate, to repurpose remnants of properties acquired by the City of Tucson in its effort to widen two miles of Broadway Boulevard between Euclid Avenue and Country Club Road. Rio Nuevo’s efforts are driven by the desire both to replace the sales tax revenue lost as a result of the expansion of Broadway and to enhance the appeal of the entire area with new retail and restaurant activity, all while working closely with the City and the Regional Transportation Authority. The Board has also retained New York-based Project for Public Spaces to provide input into its involvement with these roadway properties.

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 \$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>.