

Pursuant to A.R.S. §38-431.02, 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. One or more Board Members may participate in the public session by telephone.

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

Tuesday, May 30, 2017
2:00 p.m. MST Regular Meeting
Arizona State Building, Room 222
Tucson, Arizona 85701

AGENDA

- 1) **Pledge of Allegiance**
- 2) **Roll Call**
- 3) **Board Meeting Minutes** - Discussion and potential approval of the transcript minutes of the April 25, 2017 meeting.
- 4) **Executive Session (Room 158)** - Upon a public majority vote of members constituting a quorum, the Board of Directors may hold an Executive Session. To comply with A.R.S. §38-431.03(B), all electronic devices, including cell and smart phones, iPads, notebooks, tablets and laptops shall be turned off and stored during Executive Session. During this Executive Session, the following matters will be addressed:
 - a) Pursuant to A.R.S. §38-431.03(A)(3), (4) and (7), the Board will discuss with, consult with, obtain legal advice from and may instruct its attorneys regarding the now quantified costs for landfill remediation, sewer relocation, initial grading and related tasks associated with the District's continued preparation of the "Caterpillar Site" for the construction of Caterpillar's SM&T Headquarters.
 - b) Pursuant to A.R.S. §38-431.03(A)(3), (4) and (7), the Board will discuss with, consult with, obtain legal advice from and may instruct its attorneys regarding the status of the Caterpillar GPLET and the current financing options.
 - c) Pursuant to A.R.S. §38-431.03(A)(3), (4) and (7), the Board will discuss with, consult with, obtain legal advice from and may instruct its attorneys regarding the status of the District's agreement to provide Caterpillar with funds to defray a portion of its relocation costs.
 - d) Pursuant to A.R.S. §38-431.03(A)(3), (4) and (7), the Board will discuss with, consult with, obtain legal advice from and may instruct its attorneys regarding status of and potential changes to the District's option to lease from Pima County the "Vacant Parcel" at I-10 and Cushing Street.
 - e) Pursuant to A.R.S. §38-431.03(A)(3), (4) and (7), the Board will discuss with, consult with, obtain legal advice from and may instruct its attorneys regarding (i) the status of and potential

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changes to the District's option to lease from Pima County the parking lot at 75 East Broadway Blvd ("Broadway Parking Lot") and (ii) the possibility for and nature of issuing a request for proposals for the development of such property.

f) Pursuant to A.R.S. §38-431.03(A)(3), (4) and (7), the Board will discuss with, consult with, obtain legal advice from and may instruct its attorneys regarding requests by Marcel Dabdoub and Ron Schwabe ("Dabdoub-Schwabe") to modify the terms of the Board's tentative agreements to assist in the development of 130 E. Congress ("Chicago Store"), the adjacent 128 E. Congress ("Gus Taylor Building"), 31-47 N. Sixth Avenue ("Arizona Hotel"), and 123 S. Stone, as well as a restructuring of the existing agreement for the "Brings" property at 236 S. Stone.

g) Pursuant to A.R.S. §38-431.03(A)(3), (4) and (7), the Board will discuss with, consult with, obtain legal advice from and may instruct its attorneys regarding requests by Dabdoub-Schwabe to assist them in the development of the properties located at 98-112 E. Congress ("Wig-O-Rama") and 44 E. Broadway.

h) Pursuant to A.R.S. §38-431.03(A)(3), (4) and (7), the Board will discuss with, consult with, obtain legal advice from and may instruct its attorneys regarding a proposal from the Diocese for assistance in connection with the Cathedral Square Project.

i) Pursuant to A.R.S. §38-431.03(A)(3), (4) and (7), the Board will discuss with, consult with, obtain legal advice from and may instruct its attorneys regarding the Board's potential acquisition of a vacant, historical property within the "Sunshine Mile" portion of Broadway.

5) **Chairman's Remarks**

The Chairman will provide a brief update on relevant current events, which update may include information related to any and all pending or potential District projects.

6) **Financial Report – Update & Discussion Only**

The District's CFO Daniel Meyers will provide the Board with an update on the District's cash positions and related financial issues and will respond to inquiries from the Board.

7) **Caterpillar Site Preparation – Possible Action**

The Board will receive an update on and discuss the bids received by Sundt Construction for the landfill remediation, the sewer relocation, and the earthwork and grading necessary to continue its efforts to prepare the Caterpillar Site for the construction of the SM&T Headquarters. Based upon such update and discussion the Board may vote to take action, which action could include directing staff and/or counsel to draft and finalize any and all agreements necessary to implement the Board's desires and authorizing the executive officers to execute such agreements.

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8) Caterpillar Lease and Financing Terms – Possible Action

The Board will receive an update on and will discuss the status of (a) the terms of the build-to-suit lease between the District and Caterpillar for the SM&T Headquarters and (b) the financing for the construction of the Headquarters facility. Based upon such discussion the Board may vote to take action, which action could include directing staff and/or counsel to draft and finalize any and all agreements necessary to implement the Board’s desires and authorizing the executive officers to execute such agreements.

9) Relocation Funds for Caterpillar – Possible Action

The Board will hear an update on the status of the Board’s commitment to pay \$2 million to Caterpillar to defray its costs of moving its SM&T Headquarters to Tucson. Based upon such discussion the Board may vote to take action, which action could include directing staff and/or counsel to draft and finalize any and all agreements necessary to implement the Board’s desires and authorizing the executive officers to execute such agreements.

10) Caliber Hotel at TCC – Possible Action

The Board has previously authorized the executive officers and counsel to negotiate and execute an agreement with Caliber Services, LLC (“Caliber”) for the creation of a new 120-bed hotel on the grounds of the Tucson Convention Center (“TCC”). Such authorization was subject to several conditions, including an agreement with Caliber regarding parking at the TCC. Counsel will update the Board on the status of these negotiations. Based upon such discussion the Board may vote to take action, which action could include directing staff and/or counsel to draft and finalize any and all agreements necessary to implement the Board’s desires and authorizing the executive officers to execute such agreements.

11) Pima County / Cushing Street Parcel – Possible Action

The Board will consider and discuss the possibility of transmogrifying its option to lease this parcel for 25 years from Pima County into an agreement to purchase the parcel and thereby create additional development opportunities. Based upon such discussion the Board may vote to take action, which action could include directing staff and/or counsel to draft and finalize any and all agreements necessary to implement the Board’s desires and authorizing the executive officers to execute such agreements.

12) Pima County / Broadway Parcel – Possible Action

The Board will consider and discuss the possibility of transmogrifying its option to lease this parcel for 25 years from Pima County into an agreement to purchase the parcel, thereby creating additional development opportunities. In addition, the Board will consider and discuss the possibility of issuing a request for proposals for the development of this parcel. Based upon such discussions the Board may vote to take action, which action could include directing staff and/or counsel to draft and

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finalize any and all agreements, as well as procurement requests, necessary to implement the Board's desires and authorizing the executive officers to execute such agreements and requests.

13) Dabdoub-Schwabe Current Projects – Possible Action

The Board has authorized the executive officers and counsel to prepare and where appropriate execute the documents necessary to support previous applications for assistance by Dabdoub-Schwabe for the development of properties referred to as the Chicago Store, Gus Taylor Building, Arizona Hotel, 123 S. Stone, and Brings. The developers will present and respond to questions from the Board regarding their proposed alternative approach to the District's participation. Based upon such discussion the Board may vote to take action, which action could include directing staff and/or counsel to draft and finalize any and all agreements necessary to implement the Board's desires and authorizing the executive officers to execute such agreements.

14) Wig-O-Rama and 44 E. Broadway– Possible Action

Developers Dabdoub-Schwabe will present and respond to questions from the Board regarding their proposed approach to the District's participation in the Developers' renovation of these properties. Based upon such discussion the Board may vote to take action, which action could include directing staff and/or counsel to draft and finalize any and all agreements necessary to implement the Board's desires and authorizing the executive officers to execute such agreements.

15) Leo Rich Theatre – Possible Action

The Board will discuss and consider a proposal from Rick Engineering Company for a 3D laser scan of the Leo Rich Theatre, which scan will assist with any future renovation. Based upon such discussion the Board may vote to take action, which action could include directing staff and/or counsel to draft and finalize any and all agreements necessary to implement the Board's desires and authorizing the executive officers to execute such agreements.

16) Cathedral Square Project – Possible Action

A representative of the Diocese will present a request to the Board for financial assistance in the Diocese's efforts to totally renovate the historic cathedral square across from the TCC, which renovation is expected to include a retail component. It is expected that the Diocese's representative will explain the basis for its request and the benefits that such renovation will provide to the District. Based upon such discussion the Board may vote to take action, which action could include directing staff and/or counsel to draft and finalize any and all agreements necessary to implement the Board's desires and authorizing the executive officers to execute such agreements.

17) Acquisition of Vacant Building on Broadway – Possible Action

The Board will discuss the possibility of acquiring a vacant, historical property within the Sunshine Mile for relocation and renovation. Based upon such discussion the Board may vote to take action, which action could include directing staff and/or counsel to draft and finalize any and all

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18) Fox Theatre Board of Directors – Possible Action

The Board will consider the appointment of Tom Laue to the Fox Tucson Theatre Foundation board of directors. Based upon such discussion the Board may vote to take action, which action could include appointing Mr. Laue to the Fox Tucson Theatre Foundation board of directors.

19) Downtown Now – Discussion Only

Board Member Jannie Cox will report about sponsors to date and make public that the annual event will be on November 1 at the TCC.

20) Call to the Audience

Presentations are limited to three (3) minutes per speaker for a total of fifteen (15) minutes. All individuals interested in speaking must submit a Speaker's Card that will be made available at the meeting.

21) Adjourn