



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

Rio Nuevo Advances Downtown CVS, Return of Bianco Eatery, TCC Hotel

The Rio Nuevo Board of Directors moved forward this week with partnerships that plan to bring a drug store and a Bianco eatery back to downtown Tucson.

At its meeting Tuesday, May 30, the Board unanimously approved rebating site-specific sales tax to the Ron Schwabe/Marcel Dabdoub developer group for their projects at 123 S. Stone and in the East Congress Street block from the former Chicago Store at South Sixth Avenue to Wig-O-Rama at South Scott Avenue.

Schwabe/Dabdoub is in negotiation with the CVS pharmacy/drug store chain to occupy the Chicago Store. Downtown hasn't had a drug store since 2003.

Schwabe/Dabdoub has a letter of intent from Chris Bianco for the first floor of 123 S. Stone. Bianco closed his popular Pizzeria Bianco in September 2016 after operating it for more than two years.

The developer group is also talking to The Loft Cinema about locating a theater in the East Congress Street block.

Rio Nuevo is funded by state sales tax generated in the Rio Nuevo Tax Increment Financing (TIF) District that stretches from west of Interstate 10 through downtown and along Broadway to El Con Mall and Park Place. Instead of supporting the Schwabe/Dabdoub projects with cash, the Board agreed to rebate its share of state sales tax from those projects to the developers.

The Board also unanimously approved the site for a new 125-room hotel on the grounds of the Tucson Convention Center. Representatives of Caliber Hospitality of Scottsdale proposed to build the hotel on the southeast corner of the convention center in what they and the board described as an underutilized space. The location would give hotel patrons direct access to the convention center. Board representatives agreed to meet with City of Tucson officials to discuss ways to increase parking in the area.

In other business, the Board:

- Unanimously agreed to support the Catholic Diocese of Tucson's remodel of the historic cathedral square by contributing \$1 million to the \$17 million project, which will include a café/coffee shop that is expected to generate sales tax income.
- Postponed the approval of \$6.4 million of site preparation work for a Caterpillar division headquarters being built on the west side of downtown and offered instead to hold a special meeting when the Rio Nuevo/Caterpillar lease is signed.

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>.