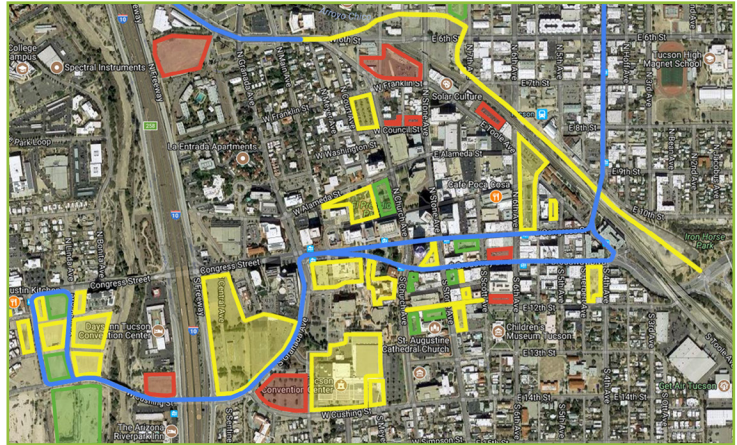




A Great Year of Progress for Rio Nuevo

Lucinda Smedley • published in the December 2017 issue

2017 closes out with continued momentum in downtown due to continued private sector investment and public/private partnerships with the Rio Nuevo Multipurpose Facilities District and the City of Tucson. Rio Nuevo is a Tax Increment Financing (TIF) district approved by voters in 1999 to fund and support downtown Tucson revitalization. Although funds did not begin transferring from the state until 2003, and a significant part of TIF revenues (now averaging over \$1M/month) are used to pay debt service, Rio Nuevo is now providing financial support and incentives for the following projects:



Downtown Tucson Development Map—Under construction (green), proposed (yellow), potential sites (red); Sun Link streetcar/ Downtown Links (blue).

1. Providing up to \$12M in future TIF sales tax rebates to developer Scott Stiteler for three projects: AC Hotel, Moxy Hotel, and an upgraded 200 block of E. Congress St.
2. Funding \$2.2M of the \$5.3M Mercado San Agustín Annex being developed by the Gadsden Co.
3. Lending \$1.35M to the Foundation for Senior Living to build a \$22M low-income senior apartment tower as part of The Marist on Cathedral Square.
4. Lending \$2.6M to Bourn Companies to construct City Park, a \$19M mixed-use project.
5. Building a \$50M Tucson Mining Center for Caterpillar Inc. on W. Cushing St. by March, 2019 to be leased back for 25 years; also providing \$2M for company relocation costs.
6. Funding \$5M to Peach Properties/Dabdoub Investments for four downtown redevelopment projects: 100 block of E. Congress St., Arizona Hotel, Brings Building and 123 S. Stone.
7. Funding \$1M for Ochoa St. streetscape improvements between Church and Scott Avenues.
8. Providing sales tax rebates and site-specific tax payments through 2025 for HSL Properties' \$20M renovation of Hotel Arizona as a 309-key Hilton-branded convention hotel.
9. Funding much needed TCC renovations.

Outside downtown, with the support of the new UA President, Robert C. Robbins, we are seeing Tech Parks Arizona continue to pursue expansion, with completion of the funding strategy, planning, design and initial construction of an Innovation and Technology Building at the UA Tech Park at The Bridges. They recently issued an RFP for the development of a proposed \$40M, 180,000 SF building at that site with \$20M to be funded by the UA. At the UA Tech Park at Rita Road, Tech Parks also is working toward developing The Village at the UA Tech Park, a 175-acre, mixed-use development that includes retail, commercial, residential and hotel development.

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