RIO NUEVO MULTIPURPOSE FACILITIES DISTRICT

BOARD MEETING

December 13, 2016

Tucson, Arizona

Reported By: Michael A. Bouley, RDR
Certified Reporter No. 50235

KATHY FINK & ASSOCIATES, INC.
2819 East 22nd Street
Tucson, Arizona 85713
(520) 624-8644     Fax (520) 624-9336
APPEARANCES:

BOARD MEMBERS:

Fletcher McCusker, Chairman
Chris Sheafe
Mark Irvin
Jannie Cox
Edmund Marquez
Jeff Hill

ALSO PRESENT:

Mark Collins, Board Counsel
Michele Bettini, Operations Administrator

*   *   *   *

BE IT REMEMBERED that the meeting of the Board of Directors of the Rio Nuevo Multipurpose Facilities District was held at the Arizona State Building, 400 West Congress Street, Suite 222, in the City of Tucson, State of Arizona, before MICHAEL A. BOULEY, RDR, Certified Reporter No. 50235, on the 13th day of December, 2016, commencing at the hour of 1:00 o'clock p.m.
PROCEEDINGS

CHAIRMAN MCCUSKER: Let's call this meeting to order. I have 1:01 on the official Rio Nuevo clock. Who did the pledge last time? Was it Chris?

(All recite the Pledge of Allegiance.)

CHAIRMAN MCCUSKER: Michele, call the role, please.

MS. BETTINI: Edmund Marquez?

MR. MARQUEZ: Here.

MS. BETTINI: Jannie Cox?

MS. COX: Here.

MS. BETTINI: Chris Sheafe?

MR. SHEAFE: Here.

MS. BETTINI: Fletcher McCusker?

CHAIRMAN MCCUSKER: Here.

MS. BETTINI: Mark Irvin?

MR. IRVIN: Here.

MS. BETTINI: Jeff Hill?

MR. HILL: Here.

MR. MCCUSKER: We think Cody is on his way. Not heard anything to the contrary.

You have the minute transcriptions for the November 15th meeting. They have been distributed.
They are verbatim.

MR. IRVIN: Move approval.

MS. COX: Second.

CHAIRMAN MCCUSKER: All in favor, say aye?

(Motion carries unanimously.)

CHAIRMAN MCCUSKER: That passes unanimously.

This is the time we set aside for executive session.

MR. IRVIN: So moved. I move we go into executive session.

MR. MARQUEZ: Second.

CHAIRMAN MCCUSKER: All in favor, say aye?

(Motion carries unanimously.)

CHAIRMAN MCCUSKER: Thank you very much.

(Board goes into executive session at 1:03 p.m.)

(Board returns to open meeting at 2:35 p.m.)

CHAIRMAN MCCUSKER: We have reconvened so we are probably torturing the transcriptionist.

Thank you, everyone, for waiting.

Mr. Collins?

MR. COLLINS: I'm sorry.

CHAIRMAN MCCUSKER: Thank you. It was unusually long executive session. We apologize for that. But if you look at our agenda, you can see we have a lot of things going on.
MR. IRVIN: Move approval.

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(Motion carries unanimously.)

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One of those, of course, is personnel. Our
starting guard, all-purpose guard, is moving up to the NBA. And I don't know if everyone knows, but Michele Bettini is the new CEO President of the Alliance for Construction Trades. First female in that job.

Congratulations

MS. BETTINI: Thank you.

CHAIRMAN MCCUSKER: And good luck. We'd like to think that Michele got a Ph.D in pretty much everything the last six years.

MS. BETTINI: Definitely.

CHAIRMAN MCCUSKER: Probably not going to hurt her to represent some 200 and some subcontractors and suppliers in the construction industry. So, we wish you well.

We are indeed interviewing for her replacement. That was part of what we were doing in executive session. We don't like using our executive time. We really prefer to work in an open meeting. But obviously personnel matters, through dealing with confidential applicants, requires some confidentiality. So we hope to find a replacement for Michele quickly and be able to announce that to the public between now and the January meeting.

A couple of other things that are in the executive session that we will not talk about publically, and we've had a lot of inbound interest in the downtown
hotel item. And I'm afraid I must tell you that will remain confidential for the moment.

I can describe to you kind of what we're talking about there, but this is an unsolicited proposal to Rio Nuevo by a very well established hotel operator, not from Tucson, that's interested in partnering with Rio Nuevo to build a hotel adjacent to the Tucson Convention Center. These are very sensitive negotiations. The parties are all under confidentiality agreements, and we're trying to work through that process to the point where we can go public with that information.

What I can say and I think most of you would not be surprised, downtown Tucson and little old Rio Nuevo are on the radar in a lot of places, nationally and internationally, for that matter. We are seeing more interest in our downtown probably than any time in any of our collective histories. From retail, from commercial corporate kind of activity, entertainment, but also hotel.

If you follow the downtown development, you'll know there is probably 22 housing projects currently in and around the core. That's always been a missing component of a thriving urban environment. If you look to Austin or San Diego, Portland, you know, any of the places we like to emulate, the housing piece was kind of
the thing that took the urban environment over the top.

And we're seeing high end apartments develop and lease quickly. We are seeing the first townhome kind of single family homes built in downtown Tucson probably since the 19th century, early 20th century. And they are all very much in demand, which is attracting a lot of other housing opportunities.

Retail is flourishing to the extent that bars and restaurants are retail. We're seeing an unbelievable amount of activity in restaurants development and enhancement. Just read today where the space that used to be the little Chinese restaurant on Congress and Stone had been leased out to a sushi purveyor, another new restaurant coming downtown.

I think we have 65 restaurants in the core and that I wouldn't be surprised by March that that number is more like 75.

We do have a lot of inbound conversations with hotel operators. A lot of times they want money. And this current board has not been interested in funding nor operating a hotel. I think we've established our legacy by electing to partner with private sector developers. That's attracted private lenders, private underwriters, private bonders and private equity. If you read the auditor general's report most recently, probably the
thing we're the most proud of is that our current leverage ratio about 10 to 1.

So for every dollar we are investing in the downtown core, the private sector is investing 10. That means we can spread our limited amount of State dollars a lot further.

So hopefully that will develop over the next 30 days and we can bring those principles in to help talk to all of us publically about a downtown hotel. And you won't see that on today's agenda.

Item number eight, give you a quick update, we didn't -- we decided we didn't need the architect or project managers here from that. The target date for occupancy for the Greyhound Terminal is now March 3rd, and we expect to be able to hit that. We've had some delays in inbound materials. If you've drive by that site lately, it's really quite an extraordinary small but very modern and functional Greyhound, which we hope to occupy now on March the 3rd.

We've got an update on Caterpillar. That's an agenda item. Those are agendized.

So I think that's pretty much everything from me.

Dan, you want to do the financial update?

MR. MEYERS: I'm Dan Meyers, CFO of Rio Nuevo.
Okay. So as of November 30th, you can see our total cash on hand is $12.8 million, approximately. That's a little misleading because we did not get our TIF allocation per August, which we should have received in November. We didn't get that until December. That's another $960,000 that we have received. It was just received in early December.

Outstanding obligations remain about 67 million. So there is a spread there of approximately 53 million. And we are in the process of trying to work, get some financing I think to the tune of about 57 million or so to try to make up that deficit.

We also received our September allocation for TIF revenue a few days ago. That was one little -- little over one million dollars. As you recall, our monthly budget is one million. Those two are pretty much right on budget.

Michele and I met with Becky O'Connell from Concord, Elaine Becker from the City of Tucson, both project managers of the TCC, went through all the costs, went through what appears to be remaining to be spent. And I think we all concluded that we are going to be able to come into this project when it's wrapped up a little under the budget. I think that's very good news and I think the numbers are pretty well confirmed.
Congratulations to the project managers for making that happen.

Nothing else exciting going on in November. So anybody has any questions?

MR. HILL: Mr. Chairman?

CHAIRMAN MCCUSKER: Mr. Hill.

MR. HILL: Dan, I maybe I just haven't paid any attention, but is this the first month we've seen some money expended in street scrapes?

MR. MEYERS: There's no -- been no money expended. That's an ongoing thing.

MR. HILL: That's been sitting around on our books a long time, two years. City going to get to that?

MR. MEYERS: I believe Elaine can probably speak to that, if we'd like her to.

CHAIRMAN MCCUSKER: It's not on the agenda, but I can sneak it into the Chairman's update. Watch this.

Mr. Collins.

MR. COLLINS: Thanks, Mr. Chairman.

CHAIRMAN MCCUSKER: It's been delayed probably until the spring, to deal with the merchants, the gem show, stuff like that. So it's still planned and moving forward. It's not -- it's postponed, and it's deliberate.

Mark?
MR. IRVIN: Funds held by Chapman for Greyhound, why are those sitting there and not in our coffers?

MR. MEYERS: They're in a trust account. I move that money every now and then, get it back into ours.

It's --

MR. IRVIN: That seems like a big number.

MR. MEYERS: Maybe time to do that again.

MR. IRVIN: That's it.

CHAIRMAN MCCUSKER: Any other questions for Dan?

Dan, thank you very much.

MR. MEYERS: You're welcome.

CHAIRMAN MCCUSKER: Okay. That takes us right to Caterpillar update. Mr. Swaim.

MR. SWAIM: Good afternoon, Mr. Chairman, members of The Board, Phil Swaim, Swaim Associates Architects. We are making great headway with the Caterpillar project. It's, as we say, it's an efficient schedule, so we have a lot of things going on.

We've been out to select an architectural team. We received eight excellent submittals, had a difficult time actually short-listing down to five. Have conducted interviews over the last two days. Selection committee is nearing a ranking and so we'll very quickly start contacting those firms and negotiating fees with the goal of coming back to you with a contract early in January,
possibility of trying to see if we can get a special meeting sometime to be able to keep that on schedule.

We're also moving forward to be able to hire our contractor. We received 13 submittals, and are short listing later this week and plan to have interviews the I believe 11th and 12th of January. So we'll then be negotiating, hopefully coming back at your January 24th board meeting with a contract for that.

So by that point we'll have our full team together with we'll be moving forward quickly. The -- as we are proceeding with all sorts of things related to the site. Archeology has moved forward and we've actually received -- we received a verbal clearance on archeology. We are waiting to see the official report, but that's great news, that one of those big potential mysteries of what's underground, and so it's nice to have that clearance. That really starts to help stabilize where we know that our budget is going.

We have our survey underway, should have that wrapped up in the next couple of week. Elaine just confirmed that we have our total reports everything in place, so I think we're moving well there.

We have started design on the relocation of the sewer line that runs down through the center. And so that agreement that we have in place working with Pima
County that you approved last month is a place, so that is moving forward then.

So it was nice to in all the interviews with the architects saying we can do this schedule but you need to move the sewer line. So I think we are doing the right thing of getting all the right -- right things in line to be able to make sure that this is happening.

The phase one environmental assessment is under way and should be getting a report here, they said we should have that prior to the holidays. So sometime within the next week or so I expect to be able to see a draft of that.

Other than that, I think --

CHAIRMAN MCCUSKER: Will you take through the schedule just so we keep it refreshed, kind of January through target completion date?

MR. SWAIM: So part of what we need to do, we started actually working backwards with Caterpillar saying that they needed to be able to actually occupy in business March 1st of 2019. So that's just a little over two years from now. That means actually having construction complete by the end of 2018. So that gives them a month or two to be able to get furnishings and special systems installed.

So, as Fletcher was saying, we are starting here...
in January, working with Caterpillar and architects doing programming and initial cost estimating or budgeting for the building, the overall building project. And with the -- our goal is to work to that design process and start construction on-site in June of 2017, in that we're going to need work with the architect and contractor to determine exactly what is happening there. But that's going to include the relocation of the sewer line and other components and other site things, possibly underground parking or other utilities and things like that that they need to have in place. Most of them said it's going to take 16 to 18 months to be able to actually build this project. So that keeps us sort of right on track there.

MR. SHEAFE: Bill, in making that, did you communicate with wastewater? You know, you can't interrupt the existing line any time during the year. There are only certain windows when you can shut that down, and divert the sewer.

MR. SWAIM: So Pima County Wastewater has been fantastic to work with. They really are paying a lot of attention to this, and what we have in the budget is a system to be able to pump around the line. And right now they have not told us there is a limitation to the time of year.
What there are, there are options that what relate to what you said, different ways that we can do the diversion. There is a simpler way we actually take to sewer line across the river. That can only be done certain times of year where otherwise we have to go from the southern edge of our site all the way up to Congress to be able to wrap that around. So we are trying to find ways to minimize that.

As that design is starting forward right now with Pima County, as we are getting into those level of details, we also met with Elaine from the City to determine how to coordinate with the City land and the roadway. We are really trying to able to dial in more specifically on what that construction cost is going to be.

MR. SHEAFE: Okay.

MR. SWAIM: But Pima County Wastewater has been fantastic. The relationship that you have with the County has really just helped facilitate everything. It's been nice to have their attention.

CHAIRMAN MCCUSKER: Mr. Hill.

MR. HILL: I just want to get into the record as a re-emphasize what Phil had mentioned on the amount of the bids on these two areas that went out to bid with 8 and one with 13. Certainly, should show anybody that the
old board used to want direct one bidder. We are not
doing that. I think that serves the taxpayer very well.
I just wanted to thank you Phil and the Chairman for
making sure that we have such an open process that in my
humble opinion favors the taxpayers.

Thank you, Mr. Chairman. Phil, thank you.

CHAIRMAN MCCUSKER: I think the architect design
firm bids is more like --

MR. SWAIM: It was actually 18. And it was
impressive. There were firms from all over the country.
From Chicago to L.A. to St. Louis. It also was exciting
to see how our local firms, some connected with those
national firms, really stepped up and it was something
for all of us to be proud of. So you're right, you've
have a lot of attention and this is certainly a fair and
open process.

MR. HILL: Thank you.

CHAIRMAN MCCUSKER: Phil, thank you very much.

MR. SWAIM: Thank you.

CHAIRMAN MCCUSKER: Gave you the Greyhound

Quick update on the Broadway Sunshine Mile. The
Rio Nuevo Board has authorized our executive officers to
discuss the possibility of Rio Nuevo engaging in the
so-called Sunshine Mile, and we made that proposal to the
mayor and council. That item was agendized for last
week. And I'm pleased to say that the City Council voted
seven-zero to allow Rio Nuevo to continue to discuss with
the City a partnership. The intent would be to repurpose
approximately 60 properties along the Broadway corridor
that runs from Euclid to Country Club.

We are going to have a similar conversation with
the RTA. Ultimately it would be the three of us in some
sort of intergovernmental agreement with the intent being
to repurpose those as retail. So I think the only thing,
Mr. Collins, we need is for somebody to tell me not to
stop.

MR. COLLINS: Mr. Chairman, members, I would
suggest that somebody make a motion to authorize the
executive officers to continue to work with the RTA and
the City to advance the idea of repurposeing some of the
properties that are condemned in the widening of the
Broadway corridor.

MS. COX: So moved.

MR. MARQUEZ: Second.

CHAIRMAN MCCUSKER: Any conversation?

MR. IRVIN: The only conversation, first of all
I think it's a great idea idea for us to protect that
section, whatever that needs. I think it's also
important for us to say there is already enough cooks in
the kitchen, with the City and the RTA in the staking.
And it's not our intention to in any way to muddle that.
And that once the dust has settled, we want to have a
serious discussion about that issue.
But I think there is already enough stuff in
there. We've already been vocal about the 30 percent
going to 70. And just want to make sure that the public
knows it's not our intention to be another cook in the
county. Rather, when the dust settles, to be part of
the solution to that issue.

CHAIRMAN MCCUSKER: Yeah. I think it's well
said that what we are discussing is what I believe what
the RTA believes as remnant parcels. So there is a
widening project. They have decided the engineering.
They know where the bus pull-outs are going to go. They
know width of the roadway. And there are some properties
that are conflicted. Some of those are in the right of
way and will be torn down. Others of those are just
starved of the frontage. So they lose the frontage.
They lose parking. And it's going to take some
creativity to figure that out.

That's really where we hope to engage. Is once
the engineering done, the City starts acquiring these
parcels, instead of tearing them down, let's see if we
can repurpose them as retail.
MR. IRVIN: Probably also going to require a discussion relative to an overlay district as well.

THE COURT: I mentioned that to the City Council and that was part of the motion was for them to consider overlay that would exempt that district from parking and setback requirements. So it's really quite remarkable. And in the new spirit of multi jurisdictional collaboration, here we go. City council, RTA, and Rio Nuevo working together.

MS. BETTINI: You have a motion.

CHAIRMAN MCCUSKER: We have a motion and a second.

All in favor, say I? Opposed, nay?

(Motion carries unanimously.)

CHAIRMAN MCCUSKER: Now here we go.

Thank you, Dr. Suess.

In the vein of the multi jurisdictional collaboration, Pima County has approached us regarding two very important downtown parcels, which are currently vacant, and could be an exciting element of downtown revitalization. And they are as agendized in order. The parcel affectionately called the Theresa Lee lot, or if you've been around in Tucson for any length of time like I have, you would know that property to be referred to as Mother Higgins. That was the old Juvenile Court which
Mr. Hill and I would know something about.

MR. HILL: Yes. Only visited, Mr. Chairman.

CHAIRMAN MCCUSKER: Only visited. And the exciting conversation is to partner via a ground lease or an option to acquire a ground lease with Rio Nuevo participating in the County's economic initiative to create primary employment. Of course, Caterpillar is the home run in that regard. 635 inbound jobs to the district's boundaries.

But we have seen no shortage of companies request information about downtown opportunities. And we do believe that together with the Rio Nuevo Sun corridor, the State commerce authority, the Governor's office initiatives and the County, that we have some really interesting opportunities that could develop both of those parcels.

So what's on the agenda, Mr. Collins, right, is basically just authorizing the Rio Nuevo Board to enter into an option agreement with Pima county.

MR. COLLINS: That's correct. Mr. Chairman, members of the board, there is one option agreement on the agenda for item number 10, which I believe is the Theresa Lee that you're talking about. And then the other is the Broadway parcel. You each have in your packets, I hope, copies of the option agreement with
pictures of those parcels.

The option agreement is very simple. You're going to pay the county $100 to have a two-year option to purchase -- or to lease, excuse me, to enter into a ground lease with the County for that property. The idea of the ground lease would be developing that property.

But all you're presented with today is the option itself. My understanding is the Board of Directors has this agendized for their meeting today. I think they were meeting before we were. But given the nature of this and the discussions that my office has had with their lead council on this, I don't see a problem with it.

I think the District would be remiss in not exploring and doing these opportunities. Is that --

CHAIRMAN MCCUSKER: Do we know the outcome of the Board of Supervisors?

MR. COLLINS: I do not. I asked before I left to come over here but don't know. I would -- I don't have a vote, as you all know. But as your lawyer, I urge you to vote in favor of exercising -- or to enter into the option agreement.

CHAIRMAN MCCUSKER: Mr. Sheafe?

MR. SHEAFE: Well, we could do that subject to the successful approval from the Board.
MR. COLLINS: Precisely. Right. Right.

CHAIRMAN MCCUSKER: And YOU want to entertain them separately. Right?

MR. COLLINS: Yes, I do.

CHAIRMAN MCCUSKER: Two different motions?

MR. COLLINS: Yes.

CHAIRMAN MCCUSKER: Any other conversation?

MR. IRVIN: The only conversation I have is the second we get done, I think we ought to be popping a Rio Nuevo marketing sign in there with our phone number on that parcel.

CHAIRMAN MCCUSKER: Who are they going to call?

MR. IRVIN: They are going to call Michele.

MR. COLLINS: I would suggest to you that you make a motion subject to approval by the Board of Supervisors that you authorize the executive officers to execute the option agreement regarding the Cushing Street parcel, which is item 10 on your agenda.

MR. HILL: So moved.

MS. COX: Second.

CHAIRMAN MCCUSKER: One these days you people are going to make your own motions.

MR. MARQUEZ: No way.

MR. COLLINS: No.

CHAIRMAN MCCUSKER: They're so concise and well
MR. IRVIN: It's actually Chris Sheafe's fault.

CHAIRMAN MCCUSKER: We tried to shorten his motions. So moved is as precise as you can get. So we've --

MR. SHEAFE: And I am married. I learned through that process how to be trainable.

CHAIRMAN MCCUSKER: We have a motion and second to enter into the option agreement with the County on the so-called Cushing Street parcel. All in favor say aye?

Opposed, nay.

All right. Now you have to make your own motion on item number 11.

Go ahead.

MR. SHEAFE: You don't want to --

CHAIRMAN MCCUSKER: You have to make your own motion.

MR. SHEAFE: So I move that the executive officers are authorized to sign the option agreement for we want to refer to this as the --

MR. COLLINS: Broadway parcel.

MR. SHEAFE: -- Broadway parcel with Pima County.

CHAIRMAN MCCUSKER: Any second, please?
MS. COX: Second.

CHAIRMAN MCCUSKER: I have a motion and second to approve the same kind of option agreement with the County on the Broadway parcel. All in favor, say aye?

And opposed, nay?

(Motion carries unanimously.)

CHAIRMAN MCCUSKER: Good job, Mr. Sheafe.

This should be a small kind of housekeeping item. Dan mentioned that the Board did approve for the hockey renovation roughly $3.7 million. Does look like we are going to come in under that budget. Hopefully all of you have been enjoying our extraordinarily Roadrunners team. They are second place, I think, in the Pacific Division. And heartfelt wishes to Chris Cunningham and his family, our fallen captain.

But apparently, Mark, stay up there, we did $47,000 of call it deferred maintenance that the City of Tucson has agreed to reimburse us for. But there is no means to do that unless we amend the IGA.

MR. COLLINS: Yes. Mr. Chairman, members of the Board, refresh everyone's recollection. When this Board started the renovation of the arena several years ago, there was an IGA entered into between this Board and the City so that there could be an efficient use of taxpayers dollars in the renovation, because some of the renovation
was deferred maintenance that was the obligation of the
City.

And so under that contract with Concord we had
GMP or gross maximum price 1 and 2. And the Board took
care of 1 and the City took care of 2. The original GMB
price for the City for $544,000. That ended being
exceeded and bumped to -- get my notes here -- bumped to
$844,000. And it was later then bumped up to $872,000.

What I'm suggesting that you do today is to make
a motion to amend that IGA a third time, to have an
agreement whereby the City reimburses this Board for that
defered maintenance that has been done in connection
with the AHL renovations.

MR. IRVIN: I'm only smiling because it's hard
not to say that was a good motion.

CHAIRMAN MCCUSKER: Go for it.

MR. SHEAFE: Okay. So we move to amend the IGA
to allow the City to recompensate the District to the
tune of 47,000.

MR. COLLINS: Plus or minus.

MR. IRVIN: Second.

CHAIRMAN MCCUSKER: All in favor, say aye?

(Motion carries unanimously.)

CHAIRMAN MCCUSKER: Is that all you need on that
item, Mr. Collins?
MR. COLLINS: I'm going to assume, I'm going to ask the Board that means not only prepare it but execute it, Mr. Sheafe?

MR. SHEAFE: Yes.

MR. COLLINS: Everybody in favor of that?

(Ayes.)

CHAIRMAN MCCUSKER: All right. Our legislative representation, Mr. Jonathan Paton, been our lobbyist for the past couple years, is an extraordinary member of the team. He would be here otherwise today, except he is working. I think his contract current amount, Mr. Collins, is $65,000 annually.

MR. COLLINS: Yes. Yes.

CHAIRMAN MCCUSKER: I'm asking to bump that. That's not his request. That's mine. We expect a very busy legislative session, with a couple of items that could and would affect us, the least of which being the budget, but we also expect to see some TIF style legislation in this current session. So we need Mr. Paton now more than ever. And, you know, again, that's my request, to give him a little raise.

MR. SHEAFE: Let me just put forth the motion approve renewing his contract of 71.5 with the postscript that, you know, life insurance policy is the best if you never have to use it. When you have somebody that's
creating the kind of results that we're getting at the legislative level, that is an absolute bargain.

So my motion is that we approve the renewal of his contract at the annual compensation rate of 71-5.


CHAIRMAN MCCUSKER: Mr. Hill, that seem like a fair amount to you?

MR. HILL: Yes, sir. It's new legislation, new leadership. 21 chairmen turnover. I think that we need somebody there that with the foot in the door. You bet, Mr. Chairman.

CHAIRMAN MCCUSKER: We have a motion and second, to contract Mr. Paton for the next year at $71,500. All in favor, say aye?

Any opposed, nay.

(Motion carries unanimously.)

CHAIRMAN MCCUSKER: Okay. Fox Theater. Hopefully this will go a little easier than the last time you tried to explain the Fox Theater to us. I think I was on that side of table then. But they are, indeed, looking to restructure some of the very complicated corporate structures.

Mark, could you walk us through that?

MR. COLLINS: Yes.
Mr. Chairman, members of the Board, you should have in the packet in front of you a one-page letter from the president of the Fox Tucson Theater Foundation requesting your approval for some reorganization that the Fox entities are doing. I had enough to bring over so I didn't bring over a chart of the various entities that were created to allow the Fox to be financed the way it was many years ago.

Approximately two years ago, about this time, we revised that arrangement, and then ultimately had a first amendment to that revised arrangement which gave this Board authority to approve any change in the structure of Fox. What they're doing here is they are asking to collapse and remove Rehab and Group, which are are two of the five, I think, entities that were created originally.

It will have no impact on the Foundation, which is the parent company, which leases -- has the ground lease with this Board for the Fox Theater.

This collapsing, if you will, simplifies their accounting and has no impact on Fox's liability or responsibility to you folks.

MR. IRVIN: Our agreement, if I recall, is actually with the Foundation.

MR. COLLINS: It is. It's actually, Mr. Irvin, it's actually with all of the entities. I wrap them all
in. They all get named in the first amendment. So they've all got to approve it. The concept here is internally they are going to approve it. But they need your approval to do that.

And from a legal standpoint, I see no reason to deny that approval. I think it's a good thing for them. It will make it a lot easier for you guys to review their financials when they do submit them to you.

MR. MARQUEZ: I have a question.

CHAIRMAN MCCUSKER: Mr. Marquez.

MR. MARQUEZ: Mr. Chairman, the Group and the rehab, do either of them have assets or liabilities sitting on the books?

MR. COLLINS: Not to us.

CHAIRMAN MCCUSKER: Mr. Sumberg is here if we need any clarification.

MR. SHEAFE: Wasn't this anticipated when we kind of restructured this whole deal, gradually roll out of all these complicated --

MR. COLLINS: Yes, absolutely. Craig, correct me if I'm wrong, but when we were doing -- taking out the Trust, if you'll recall, the Trust was involved in this at the very beginning, which complicated -- well, made it very interesting. And when we took out the Trust, and as we were doing that, that's when the attorney for the
Foundation, all the Fox entities, Larry Hecker, and I and Craig and executive officers discussed the idea of collapsing and, if you will, and doing away with a couple of the entities. I guess we're ready to do that now. And I don't see a problem.

CHAIRMAN MCCUSKER: You want to address the balance sheet issue to -- first, your name and title for the record?

MR. SUMBERG: Craig Sumberg, Executive Director, Fox Tucson Theater Foundation.

From our perspective, they have no relevance any more. They are just kind of sitting there. They don't -- so we will have three entities left, including AZ Fox Theater which is the one nobody knows about. But these two really have no relevance or significance. It's just for the bookkeeping on our end.

CHAIRMAN MCCUSKER: No assets in either entities?

MR. SUMBERG: Right. Anything that there would be, if there is in there, would be transferred to AZ Fox Theater. So nothing goes away.

CHAIRMAN MCCUSKER: Mr. Marquez, is that good?

MR. MARQUEZ: Yes, sir.

MR. SUMBERG: Can I also mention, since I'm here, Fox is having a great year. You'll be happy with
our '16 financials.

MR. SHEAFE: Was that agendized.

MR. COLLINS: He was agendized.

MR. SHEAFE: I'd like to move approval of the elimination of those two entities, I guess.

MR. COLLINS: As set forth in the letter.

MR. SHEAFE: Pardon?

MR. COLLINS: You might want to say --

CHAIRMAN MCCUSKER: As set forth in the letter.

MR. COLLINS: -- as set forth letter of December 6th.


MS. COX: Second.

CHAIRMAN MCCUSKER: I have a motion and second to approve the letter from Fox Theater December 6th, dissolving Fox LLC Group and Fox Theater Rehab. All in favor, say aye?

All opposed, nay?

(Motion carries unanimously.)

CHAIRMAN MCCUSKER: That motion carries unanimously. We are on a little roll.

This one might be a little more complicated.

City Park has done everything we've asked them to do.
Part of the agenda was to go in front of the mayor and City Council to seek that City tax abatement for the excise tax on that particular property. We really didn't know how that would go. I'm pleased to say that was approved seven-zero last week as well.

So the City is partnering with us in this new possibility and new name of the City Park Development, Don Bourne's property. And that should be kind of the last item, Mr. Collins, on our to do list, that should allow us to move toward closing on this property.

MR. COLLINS: Mr. Chairman, that's not quite right. But we're close. Sometime ago, I think it was the last meeting, this Board granted City Park until January 31st to complete this project, and to satisfy your requirements.

I have worked with the executive officers and with the developer and with the City of Tucson on the tolling agreement that has been authorized for this. It's not finalized but it's very, very close.

Like you said, Mr. Chairman, they are working extremely hard at the process. We have just -- so the Board is aware, we have drafted the GPLET lease for Bourne's signature. They are vetting it with the Bank of Tucson. I don't anticipate it being too hard to get to final terms. This particular GPLET is based upon
Cityscape, a big development up in Phoenix. My partner Gary Verburg did that for the City of Tucson and the Bank of Tucson is very familiar with that. So I don't see that as a problem.

I want to talk about in public, real briefly here, you have in your packet, I think, a notice of intent to enter economic development agreement. The economic development agreement component of this is our effort to satisfy your requirements of 48-4201, stadium district statutes, and the use of public money on a private project.

If you look at your Notice of Intent to enter into an economic development agreement and flip, you'll see there is the economic study that had been posted for sometime on the Board's web page. And if you'll flip to page 3 of that, let me know when you've got that, it's the same study that was done for the GPLET component of this project. The direct benefit to the public is nine million -- more than nine million dollars. And the foregone property tax revenue is a little less than $1.5 million.

This is obviously a very beneficial project not only for the District, but for the City. To comply with 48-4201, we need to enter into an economic development agreement. That economic development agreement is in
front of you. But quite simply, it is a finding by this
Board that it is in the benefit of the District and the
denizens of Tucson that advancing this project is in the
best interests of all concerned.

And so, if you have any questions -- this is
just another document. We haven't ever talked about it
before. That's why I'm bringing it up for you. It
doesn't change anything materially. But I do need a
motion authorizing the issuance of a notice of intent to
enter into an economic development agreement to complete
this project.

CHAIRMAN MCCUSKER: Will you take through the
closing documents that are required for this transaction?

MR. COLLINS: Yes. There will be a special
warranty deed from BP Park City investors to the
District. That's the first thing that will be recorded.
Then there is the GPLET lease which will have to be
executed. Then there is the economic development
agreement that also has to be executed. Then recording
as a memorandum of the GPLET lease. The GPLET lease is
not recorded itself, the memorandum of lease is.

Then, there is the release of the original
development agreement. That's the development agreement
under which we're operating right now.

MR. SHEAFE: You're saying it gets replaced?
MR. COLLINS: It gets replaced, yes.

Bank of Tucson wants no legacy obligations under that agreement. They want both the City and the District and the developer to say sayonara to that deal. And as I may have mentioned last time, once all of these documents get recorded, you will hold title and your relationship to the developer will be driven by the deed of trust and the GPLET lease. That's really -- that's where your relationship is.

But start out with a special warranty deed, the GPLET lease, the economic development agreement, the memorandum of the GPLET lease, which is recorded, the release of the original development agreement, the Bank of Tucson promissory note, which is going to be roughly $10 million, the Bank of Tucson deed of trust, which is going to be a deed of trust on the leasehold interest, not on the fee. It's on the leasehold interest. There will be the District's promissory note, which is the $2.6 million, there will be District's deed of trust on the leasehold interest, and then there will be intercreditor agreement among the developer, the Bank of Tucson and the District. So, if you can tell, that's 10 agreements, but we're close.

MR. SHEAFE: What you're asking for, I think, is authorization to move forward on the full rainbow of the
agreement.

CHAIRMAN MCCUSKER: And specifically approving
the Notice.

MR. COLLINS: The notice, yeah.

CHAIRMAN MCCUSKER: Where does this go, Mark?
Who are we noticing with this?

MR. COLLINS: It's going to be the public.
Okay?

Let me explain a little bit. The economic
development agreement is not required by this District.
The statutes talk about cities and municipalities doing
that. It's my opinion that you ought to do that.
Because I think that helps make sure that your use of
public funds tracks along the normal course. It doesn't
add any difficult tasks for the developer, nor does it
take away any of your rights. But it is something that I
want to see happen.

It is not finalized. The draft you have in
front of you, I can walk you through it, be happy to do
that. Get out your coffee.

But what I would like is simply a motion to
authorize the issuance of the notice of intent to enter
into the economic development agreement, provided that
the economic development agreement is finalized in
accordance with the draft that is currently in front of
you. That's what I'm looking for.

CHAIRMAN MCCUSKER: And these economic
considerations are determined by a unrelated third party?

MR. COLLINS: Yes.

CHAIRMAN MCCUSKER: The developer hires someone
for --

MR. COLLINS: No, no. We hire.

CHAIRMAN MCCUSKER: We've hire someone?

MR. COLLINS: Right.

CHAIRMAN MCCUSKER: They assess the development
and its economic impact?

MR. COLLINS: Yep.

CHAIRMAN MCCUSKER: And opine as to the strength
or weakness of that particular project?

MR. COLLINS: Right. And roughly speaking, the
benefit to the community, Tucson, and downtown Tucson, is
nine million dollars, a little more than that. And the
this has to do with the abatement. Remember now, the
GPLET lease is a mechanism by which the excise taxes that
would normally be due by the tenant, the developer, will
be abated for eight years.

This District, by the statutes of Arizona, is
authorized to enter into such a lease, and that is indeed
what we're doing. But the statutes do not grant this
Board the right to abate excise taxes. That lies in the
hands only of the City. And the City has at, the last study session, indicated a willingness to do that, provided that the developer met our deadlines. And currently on the agenda for mayor and council on the their meeting on the 20th is for them to make a final vote to authorize the tax abatement subject to the running of a 60-day period.

I can bore you to tears. But the 60-day period runs on December 27th. But if the City votes to abate the taxes on December 27th, the GPLET lease can be signed.

MR. SHEAFE: So the nine million is the result of the economic impact of having the City Park up and operating and generating the Rio Nuevo revenue stream and therefore generating the tax base if it does matriculate back to the City.

MR. COLLINS: Correct. That's -- it's, to me --

CHAIRMAN MCCUSKER: That's the direct benefit.

MR. COLLINS: It's a huge number. And the taxes that are foregone are --

CHAIRMAN MCCUSKER: 1.4 million.

MR. COLLINS: Yeah, 1.4 million dollars. So I'm not trying to take you through all of -- bore you to tears. But this is a complicated thing. What I'm asking for you today, you certainly could make a motion to
authorize the finalization and execution of all of this.

CHAIRMAN MCCUSKER: So let's talk about that for a minute. We had a number of conditions that we gave this developer to put in place in front of us. We've said consistently, the private sector, we want to be last.

MR. COLLINS: That's going to be satisfied.

CHAIRMAN MCCUSKER: Come make your presentation to us, and then you go figure out the rest. When you're all done and everything is all tidies up, come back and see us. He's done all that. So why wouldn't we authorize the district to go ahead and close?

Now, can you do the deed, the GPLET, the economic development memorandum and release, the note, the deed of trust, the intercreditor agreement, can all that be done by the end of January?

MR. COLLINS: That's the plan.

CHAIRMAN MCCUSKER: It's not a plan, there is no plan B. Right? I mean --

MR. COLLINS: Plan B is we get to fight with the developer.

CHAIRMAN MCCUSKER: Right. So there is not a plan B. So we have to close this in January. And there is literally no barrier to the banks other than the
paperwork?

MR. SHEAFE: There is a possible barrier from the banks.

MR. COLLINS: The bank -- look, everything is a green light, but the documents aren't fully prepared. They haven't been fully approved by the bank. The bank has all of our documents.

CHAIRMAN MCCUSKER: That's what I mean by paperwork. There is no business transactions. There is no principal negotiations that have to occur unless something changes among the parties, at which point we all are back here talking about it again.

But under the current status of the handshake, all the things we asked of the developer are in place and we just need you to document all of it.

MR. COLLINS: Yeah.

CHAIRMAN MCCUSKER: So, to Chris's point, if we were so inclined, could we just authorize you and the executive officers to close this transaction?

MR. COLLINS: I think I wrote the agenda broad enough to do that.

CHAIRMAN MCCUSKER: We need to do this, since this is an item under the law.

MR. COLLINS: Yes.

CHAIRMAN MCCUSKER: Let's deal with that
MR. COLLINS: Yes.

MR. SHEAFE: Okay. Let's put forth a motion that we authorize counsel to issue the notice of intent to enter into an economic development agreement in findings of fact, relative to this project. Right?

MR. COLLINS: And authorize the executive officers to execute the economic development.

MR. SHEAFE: Authorize the executive officers to execute the paper as necessary. So, we get that?

CHAIRMAN MCCUSKER: We got the motion.

MR. IRVIN: Second.

CHAIRMAN MCCUSKER: Any further discussion regarding this one item, the notice of intent to enter into this economic development agreement?

Thank you, Mr. Collins, for your --

CHAIRMAN MCCUSKER: Any other conversation?

MR. COLLINS: You have authority to enter into the --

CHAIRMAN MCCUSKER: Let's get this out of the way first. All in favor, say aye?

Opposed, nay?

(Motion carries unanimously.)

CHAIRMAN MCCUSKER: Okay.

MR. SHEAFE: So now we can execute. Let's go to
the second part of this motion, which is there are some subsequent agreements that will flow from this action. And my motion is that the executive officers be authorized to work with counsel to execute those agreements as counsel and executive officers deem appropriate in order to finalize this agreement and get the closing before the end of January.

MR. COLLINS: Yes.

CHAIRMAN MCCUSKER: So long as there is no material change.

MR. SHEAFE: So long as there is no material change. Took the words right out of my mouth.

MS. COLLINS: That's your motion?

MR. SHEAFE: Yes.

CHAIRMAN MCCUSKER: That's his motion.

MS. COX: Second.

CHAIRMAN MCCUSKER: Everybody understand? This means we don't need to see you again. We can pop the champagne bottle over in that vacant lot unless something happens.

MR. COLLINS: Yeah. You're going to hear from me on --

MS. COX: On January 27th.

CHAIRMAN MCCUSKER: Our meeting is January 24th.
MR. COLLINS: It will be on the agenda on the 24th.

CHAIRMAN MCCUSKER: Maybe.

MR. COLLINS: Just so I can update you. But the drop dead date is January 31st. We got to close by then. Once closing occurs, you guys hold title to the property.

CHAIRMAN MCCUSKER: Congratulations to all of us. Congratulations to Don Bourne.

MR. SHEAFE: Want to take a vote here?

CHAIRMAN MCCUSKER: Remarkable. Did we -- we do have a motion and second on the floor. All in favor of the motion to authorize those 10 agreements, please signify by saying aye?

Any opposed, any?

(Motion carries unanimously.)

CHAIRMAN MCCUSKER: Okay. That passes six-zero.

Mr. Collins, stay with us.

We have previously approved in concept participating with developers Ron Schwabe and Marcel Dabdoub in their improvements of the Chicago Store, along with three other properties. But they will all be looked at separately, closed separately. God bless Ron Schwabe and Marcel Dabdoub. They are in the process of acquiring the property next door to the Chicago Store, which we
know as the Gus Taylor building, immediately to the west. And they've asked us to include in our discussions to assist these developments that particular address.

MR. COLLINS: That's correct, Mr. Chairman, members of the Board, you have already approved and authorized the negotiation and execution of the project with respect to the Chicago Store. As I recall, that was $1.6 million. Is that right?

CHAIRMAN MCCUSKER: 1.4.

MR. COLLINS: 1.4. And the addition of the Gus Taylor property, as I recall it, would increase that participation from 1.4 to $2.05 million. The terms of it would be the same general concept as we have been working on for the Arizona Hotel, and that we will be using that as a template for 123 South Stone, for Bring's, and whichever one I'm leaving out.

CHAIRMAN MCCUSKER: Let's hear from the developers. I think we'd all like to hear, Marcell, kind of what you're up to. How does this impact the retail projections for us to even put up 600,000 more dollars, we need to understand what the retail upside of --

CHAIRMAN MCCUSKER: Of course.

CHAIRMAN MCCUSKER: Name and stuff for the guy.

MR. DABDOUB: Marcell Dabdoub and Ron Schwabe.
Mr. Chairman, members of the Board, thank you for the opportunity. As you know, Gus Taylor was a recording studio. That business was -- is being -- is winding down because the owners are moving on to other projects outside of Tucson. So as of now, it's really a building that's not doing any -- engaging in any activity.

Because there was a significant investment in the -- in the recording studios themselves in terms of sound insulation, we approached our tenants from the Chicago Store, because there have been previous conversations about doing a nice kareoke bar into the downtown area which could -- it's sort of a bar entertainment concept that's sort of a step above in the sense that it attracts people that are looking for a more specific experience.

So we've been in discussions with them, and we're right now we are actually in lease negotiations. So our expectation is certainly the first floor would be generating a lot of sales tax.

MR. SCHWABE: Those buildings were one building. They were connected. You probably remember that. So we are actually -- in this plan they actually get reconnected into one building again. So they are the same partnership, the same tenants and it really works
CHAIRMAN MCCUSKER: Mr. Marquez?

MR. MARQUEZ: Mr. Chairman, one of the pieces I'd like, when we originally made this agreement with you, is that you owned the previous three properties free and clear. Would you also own this free and clear?

MR. DABDOUB: That's correct. Our investors in 130 East Congress have already committed for the entirety of the purchase price for this building. So the accusation is not being financed.

CHAIRMAN MCCUSKER: And refresh our memory what's going on next door. And I think you've gone public with this. What is it? Who is it? How do you blend the two? And then you said lots of retail tax. Do you have a forecast? Have we seen anything? Have we been provided any kind of amended forecast.

MR. DABDOUB: Yes. We sent to Mark --

MR. COLLINS: Yeah, you sent one to me.

MR. DABDOUB: -- revised projections that include a column for 128 East Congress. But assuming the same sales projections per square foot for a restaurant bar with a series six liquor license, the City uses an assumption of 500 dollars a square foot in sales per year. And the amount that we're requesting ends up being about 26 percent of the amount of -- actually 26 percent
of the sales tax is going to be generated over the
15-year term of the sale leaseback.

CHAIRMAN MCCUSKER: And Mark, we actually have
something in writing to that effect?

MR. COLLINS: Yes. This was added to the agenda
late and I -- we do have that information. I believe it
is substantially similar to the spreadsheet that you saw
sometime ago for the Chicago Store, and it does spin off
extra funds.

MR. SHEAFE: Let's try and condense this down to
so it isn't so theoretical. Essentially what each of
these deals is going to be, if we move forward with them,
is that the district becomes the backstop and puts money
in with no construction risks. That's the very first
thing to remember.

All the construction, all the improvements --
the property is bought, and the improvements are put into
the property, and it's still free and clear, or the
district's position becomes first because we end up
taking ownership. All right?

Secondly, that the loan to value can take the
total value of the asset and the amount of money that the
district is paying to buy it roughly is somewhere under
50 percent. So there is a fair amount of safety in that
structure.
And then the third thing is how do we structure the incentives so that the developer gets the full benefit of the investment they've made while maintaining an incentive in the overall process that if they are successful, they have an incentive to return the money, or the majority of it, to the District as early as possible.

Those are really the three characteristics that build the basis for trying to incentivize each of these new improvements in the district.

CHAIRMAN MCCUSKER: And unlike the conversation we just had, I think, about City Park, you're not asking for excise tax relief from the City. Or are you?

MR. DABDOUB: No, we're not.

CHAIRMAN MCCUSKER: So that takes one more complicating fact. They are very clean deals. There is no lender, no city tax abatement. You can trust in their economics because they are proven product. And we are participating at about a quarter of the return.

MR. SHEAFE: That's right.

CHAIRMAN MCCUSKER: And they do close individually, right, Mr. Collins? So I we know we talked about bundling them for presentations's sake, but each one of them will be a separate transaction?

MR. COLLINS: Correct. Correct.

CHAIRMAN MCCUSKER: Mr. Irvin?
MR. IRVIN: So, you know, I conceptually like this idea. My concern is that this is a property that I have not personally had a chance to walk through. Until I do, I can't support it, just so you know. So I know we are probably going to call a special meeting. I wouldn't mind seeing this thing pushed back a couple weeks. Unless there is some urgency to get this thing done quickly. But I've not a chance to go through it and I'm not comfortable voting for something I have not seen. I have driven by it but I've never been inside it.

CHAIRMAN MCCUSKER: What are timing issues on this? Just talk about all four of your properties kind of in order.

MR. DABDOUB: On all four properties, our understanding in discussions with Mark is that these don't close until we have these properties producing sales tax revenue. So, in this, on this property, we're not going to be closing until February, I believe, and --

CHAIRMAN MCCUSKER: And we don't invest until you're up and running --

MR. COLLINS: Exactly. My understanding is that the money comes in once we are actually up and running. And so from a timing perspective, we're good. I think we, because we are going through the agreement process right now, we wanted to -- we wanted to connect now
instead of doing an amendment further down road.

CHAIRMAN MCCUSKER: So Mark, it is conceptual.

MR. IRVIN: Yeah. No, and I understand that. I have a hard time -- I don't have any problem, you know, I have a problem with this idea of conception. I voted for the last one we had. I just, as a course of action, I would never sell or buy anything that I had not personally walked through.

CHAIRMAN MCCUSKER: Mark, what is our legal position vis-a-vis these properties? We've committed to a conceptual process. We have not -- there is nothing binding, or no documents yet?

MR. COLLINS: On the four properties?

CHAIRMAN MCCUSKER: Yeah. All four of them together.


CHAIRMAN MCCUSKER: Is this the first one, and then it gets moved, or is it the Arizona Hotel?

MR. COLLINS: Arizona Hotel is precariously close. Then Bring's is the next one. And then --

MR. DABDOUB: Chicago Store.

MR. COLLINS: Chicago Store, 123.

MR. SHEAFE: You're just taking the Chicago Store and expanding?

MR. DABDOUB: That's right.
CHAIRMAN MCCUSKER: So what's the Board's pleasure? You can listen to Mr. Irvin or we can now vote.

MR. SHEAFE: If you guys want to kick it down a few weeks and maybe have a little better chance to engage people like Mark? I think he is making a pretty good point.

MR. DABDOUB: We'd be happy to defer this a couple weeks and --

CHAIRMAN MCCUSKER: Are you buying it one way or the other? Do you need to know where we are as far as your conversations with the seller?

MR. DABDOUB: I think we feel very good about the property. It has strategic value to Chicago Store, more so to us than to any other potential buyer. And we feel good about the value. But our aim is for everybody to feel comfortable.

And I, as someone who's buying real estate, I agree with what Mark is saying. I think it's important for anybody who wants to walk through the space to come take a look at it.

MR. IRVIN: I'm available to do that whenever you guys ready to do that.

CHAIRMAN MCCUSKER: I don't hear any real barriers or disinterests. So let's do that. I'll
agendize it the next meeting. And if you'll get with us on kind of just getting up to speed a it.

MR. DABDOUB: Great.
MR. SHEAFE: When you get Mark down there, make sure that he does do some karaoke. He is very good at it.

MR. IRVIN: I appreciate you guys bringing us this project. My comment in no way, shape, form or fashion meant to be any sort of slap.

MR. DABDOUB: We didn't take it that way.
CHAIRMAN MCCUSKER: If you haven't been to the New House Club, which is one of their projects, if you can even get in there now, it's really an extraordinary re-use of the Bring's property, as all of your projects are. So we love partnering with you guys. Can't imagine there would be any reason we wouldn't. So let's get some work done between now and the next meeting.

MR. DABDOUB: Thank you.
MR. SCHWABE: Thank you very much.
CHAIRMAN MCCUSKER: I think I got everything, Mr. Collins.

This is the time for call to the audience.
Michele, entertain a motion to adjourn?
MR. IRVIN: So moved.
MS. COX: Second.
CHAIRMAN MCCUSKER: All in favor, say aye?

(Motion carries unanimously.)

CHAIRMAN MCCUSKER: And Michele, good luck to you. Be totally lost without you.

(Proceedings concluded.)

*   *   *   *   *
CERTIFIED REPORTER'S CERTIFICATE

STATE OF ARIZONA

COUNTY OF PIMA

BE IT KNOWN that I took the foregoing proceedings in shorthand; that I was then and there a Certified Reporter, CR No. 50235, in the State of Arizona; that said proceedings were reduced to writing by me.

I DO FURTHER CERTIFY the ethical obligations set forth in ACJA 7-206 (J)(1)(g)(1) and (2) are in compliance; that I am not a relative or attorney of any party, or financially or otherwise interested in the action.

WITNESS MY HAND this 26th day of December, 2016.

Michael A. Bouley, RDR
Certified Reporter
REPORTING FIRM CERTIFICATE

THIS FIRM CERTIFIES the ethical obligations set forth in ACJA 7-206 (J)(1)(g)(1) through (6) are in compliance and have been met.

WITNESS MY HAND this 26th day of December, 2016.

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