



**NOTICE OF EXPENDITURES OF \$500,000 OR MORE OF TIF REVENUE  
PURSUANT TO A.R.S. §48-4204  
(THRIFTY BLOCK / CITY PARK)**

In 2006, the BP Post Developers, LLC (“Developer”) acquired title to a vacant parcel of property in downtown Tucson (“Thrifty Block”) pursuant to a Purchase and Development Agreement with the City of Tucson (“City”) and the Rio Nuevo District (“District”). In 2013, these parties entered into a “Revised Development Agreement” pursuant to which, during the July 26, 2016 regular meeting of the District’s Board of Directors (“Board”), the Developer requested assistance from the Board, which assistance included a request for a loan of \$2.6 million (“Loan Request”). Subject to the Developer satisfying various conditions, the Board granted the Developer’s Loan Request.

Pre-conditions for the District funding its loan include the Developer’s affiliate infusing at least \$5 million of equity and the Bank of Tucson funding and disbursing a construction loan of at least \$9.5 million. At the closing, the District will reacquire title to the Thrifty Block, lease the ground to the Developer’s affiliate who will then commence the transformation of the vacant Thrifty Block into an alluring entertainment and activity development that includes 45,129 square feet of restaurant and entertainment space, plus an additional 9,150 square feet of outdoor dining space and rooftop deck, and 26,300 square feet of office lofts (“City Park”). The restaurant and entertainment space includes a 14,690 square foot food hall that will house numerous local and regional restaurants in a quick service format, an 11,289 square foot entertainment hall with upscale bowling and games and beverage service, and a 10,000 square foot event venue. Based upon an independent third-party economic study, City Park will result in more than \$9 million in direct and \$6 million in indirect benefits to downtown over the first eight years of its operation. The Developer’s affiliate will be obligated to complete the repayment of the District’s loan during the lease term. Independently, the District and the Developer’s affiliate will enter into an Economic Development Agreement pursuant to which the District will provide economic benefits in the form of sharing a portion of the increased sales tax revenue resulting from the project.

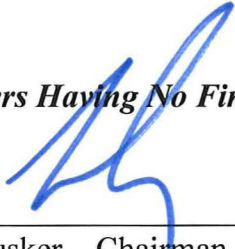
These commitments exceed the \$500,000 threshold set forth in A.R.S. §48-4204.

(Because of conflicts of interest, Board members Sheafe and Ritchie did not participate in this action. Subject to the negotiation, execution and approval of final documentation the remaining Board members voted 4-0 in favor of granting the Loan Request with one member absent.)

If you have any questions or concerns, please contact your appointee or the Chairman of the Board.

**STATEMENTS OF BOARD MEMBERS' FINANCIAL INTERESTS IN SUBJECT OF PROPOSED  
EXPENDITURE**

***Board Members Having No Financial Interest:***



\_\_\_\_\_  
Fletcher McCusker – Chairman



\_\_\_\_\_  
Mark Irvin – Secretary

\_\_\_\_\_  
Jeffrey Hill

\_\_\_\_\_  
Edmund Marquez

\_\_\_\_\_  
Jannie Cox


***Board Members Conflicted and/or Having Financial Interest:***


\_\_\_\_\_  
Christopher Sheafe – Treasurer

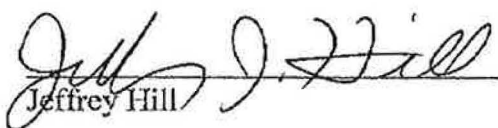
\_\_\_\_\_  
Cody Ritchie

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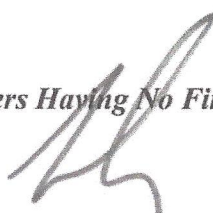

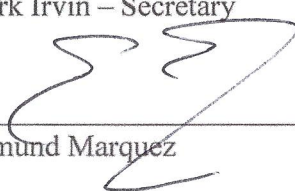
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Christopher Sheafe – Treasurer

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Cody Ritchie

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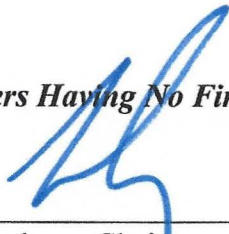
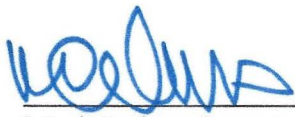
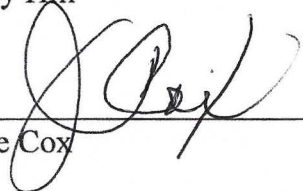
  
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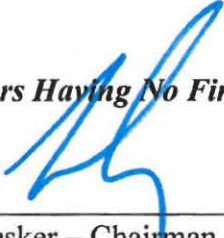

  
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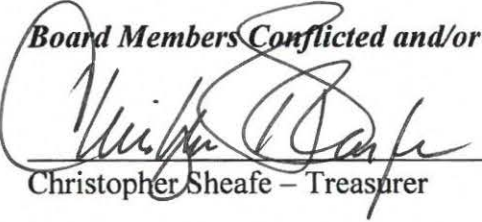
  
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Cody Ritchie

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