



**NOTICE OF EXPENDITURES OF \$500,000 OR MORE OF TIF REVENUE
PURSUANT TO A.R.S. §48-4204
(TCC – COYOTES/AMERICAN HOCKEY LEAGUE)**

The Arizona Coyotes have expressed an interest in locating their new American Hockey League (“AHL”) franchise in the District’s primary component, the Tucson Convention Center (“TCC”), as early as October of this year. The District and the City of Tucson (“City”) are in active negotiations with the Coyotes and the AHL.

AHL representatives have visited and are excited about the TCC Arena as a venue and about the proposed renovation. League representatives have provided the District with a list of improvements necessary for an AHL-approved venue including: new dashers and glass, new locker rooms, game official quarters, press box, weight and training rooms, and stick and equipment rooms, all behind the scenes in existing back of the house space. The TCC Project Manager has presented a plan and cost estimate to comply with the AHL standards by October 2016 and an enhanced plan to build a state of the art training facility at TCC Arena for October 2017 and beyond. Team officials and District representatives have also discussed the possibility of building an offsite training facility with permanent ice that would also be a public ice skating rink, restaurant and team store – all within the boundaries of the TIF district.

Subject to a final 10-year lease/license agreement among the Coyotes, the City and the District, the Board has authorized the expenditure of \$3,694,101.01 of the District’s TIF funds for the construction of the improvements necessary to allow the AHL team to play in the TCC Arena by October of 2016. The District anticipates recouping this amount through a ticket surcharge and the Coyote’s agreement to reimburse the District for unamortized improvement costs in the event of an early exit by the team. This commitment exceeds the \$500,000 threshold set forth in A.R.S. §48-4204.

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


[SIGNATURES ON SEPARATE PAGE]

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

Board Members Having No Financial Interest:



Fletcher McCusker – Chairman



Mark Irvin – Secretary



Christopher Sheafe – Treasurer

Jeffrey Hill

Jannie Cox

Edmund Marquez

Cody Ritchie

Board Members Having Financial Interest:

None.

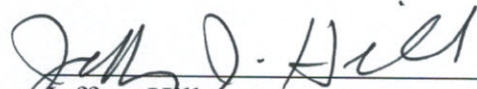
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