



Update - August 2023

By Chairman Fletcher McCusker

Post-covid the Rio Nuevo District has never been busier and we are seeing record revenue every month. Over ten years ago the District chose to focus on public/private partnerships and invest along with private developers and commercial lenders to activate Tucson's downtown. The original version of Rio Nuevo, 1999-2009, was entirely focused on government owned and operated facilities and issued nearly \$200,000,000 of bond debt only to collapse after ten years, having never built anything. Those original plans included an aquarium, a science center, a recreated convent on the site of the 18th century convento, an Indian village, the Mission Garden and other projects that were all abandoned due to the westside site being the original Tucson area un-remediated landfill. The state legislature seized District control in 2010 and the current board moved to the PPP (public, private, parentship) model in 2012.

Since then, the District has launched 85 projects, attracted over a billion dollars of private investment and has come to thrive post pandemic as Tucson, particularly downtown Tucson, was identified as one of the top five relocation destinations in the aftermath of the coronavirus pandemic.

This update focuses on the projects launched and the work done post-covid. The pandemic is an interesting milestone to view the District's accomplishments given that the District is a sales tax recipient and during the pandemic period sales tax revenue literally dropped to zero. The chart below shows the economics of the PPP model.

All Rio Nuevo District projects can be viewed at www.RioNuevo.org.

Investment Numbers

Year	Rio Nuevo Investment	Private Sector Investment
2000-2010	156.7M	0
2010	71.2M	0
2013	33.5M	0
2016	12.3M	180.2M
2019	58.4M	498.6M
2022	37.8M	443.6M
Pre-State Take-Over	261.4M	0
Post-State Take-Over	108.5M	1,122.4M

Completed Projects

DoubleTree by Hilton

New hotel at the Tucson Convention Center, launched pre-covid, completed during COVID shutdown.



Bata

New restaurant in a historical warehouse, and quickly ranked as a Top 50 restaurant in the US.



Monier

Apartments and 16,000SF of new retail, 100% leased.



Hilton Hotels at Cathedral Square

Second Hilton near the Tucson Convention Center.



Leo Kent Hotel

New 5-star hotel retrofitted in the One South Church office complex.



Century Room at Hotel Congress

New jazz club at Hotel Congress



Batch Whiskey & Donuts

A main street bar and speakeasy, proving the value of downtown food and beverage.



Tucson Convention Center

District project, two new garages, meeting hall, renovated meeting rooms, Music Hall, plazas.



Blue Front

Latest restaurant downtown by local developer/entrepreneur Patricia Schwabe.



Carriage House

Extension of Carriage House patio to expand the event capacity of the Flores-run business.



Kava Den

Second location of Kava Bar, providing non-alcoholic kava-based cocktails.



Proper Shops

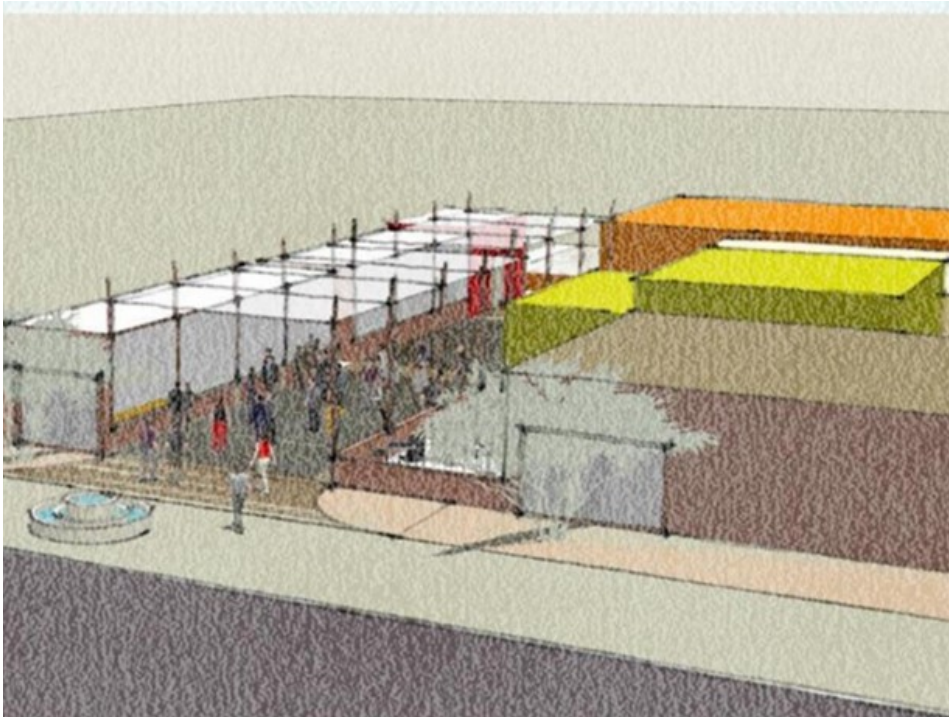
Market of local vendors located along Congress Street.



In-Progress Projects

Z Street

Zemam's Ethiopian restaurant owners, the pioneering Gebremariam family, is creating an African Village along the Sunshine Mile.



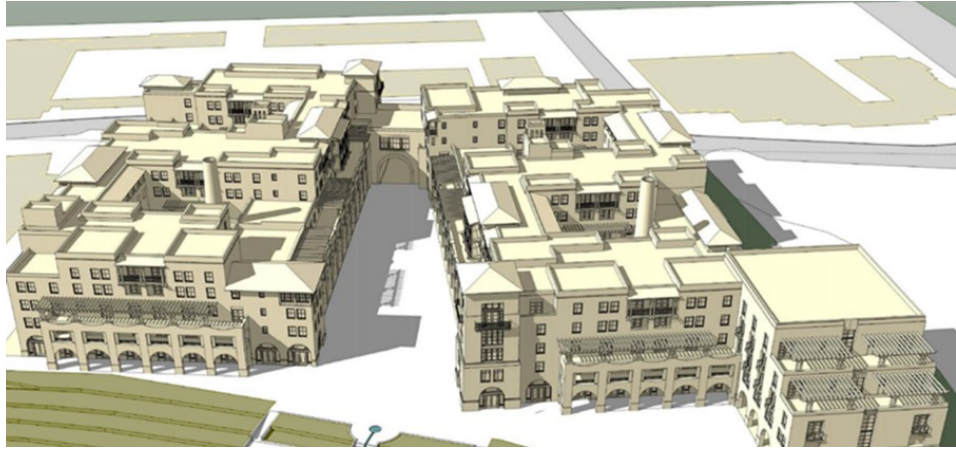
La Buhardilla Block

Sunshine Mile development by Nate Ares, founder of Prep & Pastry. Outdoor dining, bowling alley, outdoor bar, & more.



Bautista

300-unit apartment and retail complex near the MSA Annex and Mercado on the west side of downtown.



Tabu Bar & Restaurant

New Sonoran-style restaurant in a refurbished 19th century storefront.



The Corbett

Scott Stiteler development with five pickleball courts, restaurant, beer garden, live entertainment.



Fox Tucson Theatre

Acquiring the entire block, the Fox is launching an iconic expansion that will become Tucson's 'Carnegie Hall'.



Sonora Moonshine

Owners of Borderlands renovating the vacant storefront at 5th & Broadway to create a new restaurant and bar.



Friedman Block

16-properties along Sunshine Mile to be developed by Grant Krueger. Boutique retail, restaurants, & more.



Solot Block

16-parcel block to be developed by Larsen Baker and includes restaurants, retail, services, & more.



1*2*1 Floral & Gifts

Local entrepreneur Jesse Gunz is renovating a vacant storefront along Broadway for a retail establishment.



Basqueria

Spanish-style restaurant featuring modern Spanish-French cuisine inspired by the Basque region.



Children's Museum

Expansion into adjacent property to include a café and gift shop.



El Presidio Street Activation

District project, activating El Presidio with outdoor seating, murals, lighting, & more.



Gibson's Event Center

Mixed-use event space along 6th Avenue, developed by owners of High Wire Bar.



Indian Village Trading Post

Zach Fenton developing historic building to include restaurant, bar, live entertainment.



Le Macaron

New macaron bakery on Congress Street.



Whole Slvce Pizza

Local restaurateur Ari Shapiro's latest venture—Whole Slvce, New York-style pizza.



350 Congress

Las Vegas celebrity chef Antonio Nunez brings high-end restaurant concept to Congress Street.



Boxyard

Train containers retrofitted into restaurant and retail shops at Broadway and 6th Avenue.



La Estrella Bakery

Second location of the west side bakery located on the ground floor of Stone Ave Hilton Hotel.



Expansion and renovation of Obon Sushi patio to include additional seating and upgrades.

