

In The Matter Of:

*Rio Nuevo
Board Meeting*

*8/26/25
August 26, 2025*

*Fink & Associates
6095 E Grant Road
Tucson, AZ 85712*

<p style="text-align: center;">RIO NUEVO MULTIPURPOSE FACILITIES DISTRICT</p> <p style="text-align: center;">BOARD MEETING VIA ZOOM Tucson, Arizona August 26, 2025 1:00 p.m.</p> <p>REPORTED BY: Thomas A. Woppert, RPR AZ CCR No. 50476</p> <hr/> <p style="text-align: center;">FINK & ASSOCIATES 6095 East Grant Road Tucson, Arizona 85712 (520)624-8644</p>	<p style="text-align: right;">Page 3</p> <p>1 CHAIRMAN McCUSKER: Welcome, everyone, to the 2 August 26th meeting for Rio Nuevo. Thank you for that. 3 And I think we have a quorum; right? I see 4 Edmund, Chris. All right. 5 So Brandi -- 6 So the pledge. I always forget the pledge. 7 Brandi, do you have a virtual flag? 8 Mr. Levin, we're nominating you to lead the 9 pledge. 10 (Pledge of Allegiance) 11 (Discussion off the record) 12 CHAIRMAN McCUSKER: Brandi, call the roll, 13 please. 14 MS. HAGA-BLACKMAN: Jannie Cox. 15 MS. COX: Here. 16 MS. HAGA-BLACKMAN: Taunya Villicana. 17 MS. VILLICANA: Present. 18 MS. HAGA-BLACKMAN: Mike Levin. 19 MR. LEVIN: Here. 20 MS. HAGA-BLACKMAN: Edmund Marquez. 21 MR. MARQUEZ: Here. 22 MS. HAGA-BLACKMAN: Richard Oseran. 23 MR. OSERAN: Here. 24 MS. HAGA-BLACKMAN: Chris Sheafe. 25 MR. SHEAFE: Here.</p>
<p style="text-align: right;">Page 2</p> <p>1 BOARD MEMBERS PRESENT: 2 Fletcher McCusker, Chair 3 Edmund Marquez, Vice Chair 4 Chris Sheafe, Treasurer 5 Taunya Villicana, Secretary 6 Jannie Cox 7 Shay Jimenez 8 Richard Oseran 9 Michael Levin 10 Corky Poster 11 12 ALSO PRESENT: 13 Ms. Brandi Haga-Blackman, Administrative Director 14 Mr. Timothy Medcoff, Board Counsel 15 Mr. Mark Collins, Board Counsel 16 Mr. Dan Meyers, CFO 17 * * * * 18 19 BE IT REMEMBERED that a meeting of the Board of 20 Directors of the Rio Nuevo Multipurpose Facilities 21 District was held via ZOOM, in the City of Tucson, State 22 of Arizona, before THOMAS A. WOPPERT, RPR, Certified 23 Reporter No. 50476, on the 26th day of August 2025, 24 commencing at the hour of 1:00 p.m. 25</p>	<p style="text-align: right;">Page 4</p> <p>1 MS. HAGA-BLACKMAN: Corky Poster. 2 MR. POSTER: I'm here. 3 MS. HAGA-BLACKMAN: Shay Jimenez. 4 MS. JIMENEZ: (No oral response). 5 MR. SHEAFE: Shay, you're muted. 6 She's muted. That's why she's not hearing you. 7 CHAIRMAN McCUSKER: No, that's why she couldn't 8 speak. 9 MR. SHEAFE: Couldn't speak, yeah, but I don't 10 think she can hear either. 11 MS. HAGA-BLACKMAN: Okay. Fletcher -- 12 CHAIRMAN McCUSKER: We see her. She's here. 13 Did you call my name? 14 I'm here. 15 We're all present and accounted for. Thank you 16 very much. 17 Any comments on the board meeting minutes? You 18 have the transcribed minutes for July 22nd. 19 If you don't have a change or a comment, I just 20 need a motion to approve. 21 MS. COX: So moved. 22 MR. POSTER: Second. 23 CHAIRMAN McCUSKER: I didn't hear the second. 24 Tom, did you track whoever it was? 25 MR. LEVIN: It was Corky.</p>

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1 **CHAIRMAN McCUSKER:** Okay. So Jannie and Corky.
2 All in favor say aye.
3 (Motion made, seconded and passed unanimously).
4 **CHAIRMAN McCUSKER:** Rory, I see you on early.
5 This is the time we set for executive session, so we'll
6 recess here in a minute.
7 For that, if you're new to Rio Nuevo, we always
8 go into exec first kind of like the city council. Today's
9 probably 40 minutes and we'll be back here when that
10 meeting adjourns, so you can stay or come back.
11 Members, please click out of this meeting and
12 click on your executive meeting link.
13 (Recess)
14 **CHAIRMAN McCUSKER:** We've got a motion to
15 reconvene; however --
16 **MR. LEVIN:** So moved.
17 **CHAIRMAN McCUSKER:** -- I never had a motion to
18 recess, so, Mr. Collins, what the hell do I do now?
19 **MR. COLLINS:** You just tell the public that
20 we're back in session. Leave it at that.
21 **CHAIRMAN McCUSKER:** For the first time in 14
22 years we didn't have a motion to recess, but we recessed
23 anyhow and we reconvened ourselves, so thank you.
24 Some very exciting news from the Chairman's
25 desk. I think we're going to be very busy in the fall.

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1 We expect to see the Obie Hotel presentation in our second
2 September meeting. That's the project that was awarded
3 the parcel across the street from TEP. They've been
4 working diligently on that hotel project for literally a
5 couple years.
6 We're seeing some real movement now on the
7 Sunshine Mile. Both Nate Ares and Grant Krueger are
8 moving with their projects. Nate has indicated to us he
9 finally got through the city and has permits. He had some
10 issues with the city with historical, but they now have a
11 permit to start working on the south side of the Sunshine
12 Mile, and then we expect to talk to Grant in September on
13 the Friedman Block. So what was going to be a bunch of
14 turn down buildings looks like it might have 55
15 contributing properties not contributing in the historical
16 sense, but contributing in the sales tax sense on a street
17 that otherwise would have been as vacant as Grant Road is.
18 You're seeing on the agenda today we're going
19 to offer an extension for our friends at the city that are
20 building the skate park underneath the freeway. They've
21 had some delays. We're going to talk about that.
22 You're going to see some stuff develop with the
23 new mural activity. We're seeing a lot of attention for
24 the work we've done recently on public art. We've created
25 a little mini business of mural tour guides, several

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1 people, including Tom that bought a bus, but the Presidio
2 now runs a mural walking tour. There are others now that
3 are really just gravitating to the public art because it's
4 just stellar. It's unbelievable what we've done. And
5 Jannie deserves most of the credit, and she's got, you
6 know, a handbag full of ideas coming up here that we'll
7 see probably this fall. So we're prepared to continue to
8 invest in public art.
9 Trey has indicated they've launched a new
10 tranche of small business grants. You'll remember we
11 committed \$500,000. If you are a small business and you
12 need some help from us, the way to do that is to go to
13 their website and apply. And it's a variety of
14 opportunities to grow or expand or remodel or invest in a
15 kiosk or a food truck. It's a very interesting program
16 dedicated to small businesses.
17 We've capped those applicants at \$300,000 of
18 annual revenue, so you legitimately have to be a small or
19 startup business.
20 And I think you heard from Trey how successful
21 this first program was and this would not exist except for
22 Shay, so thank you.
23 We have heard from the auditor general's
24 office. They will be in our office next week. If you
25 don't understand the rules with us and the AG, not the

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1 attorney general, but the auditor general, we are obliged
2 to submit to an auditor general audit every three years.
3 So the last one we did was in 2023-2022, and they're back
4 doing a very comprehensive, multifaceted audit that not
5 only looks at our performance financially but our
6 performance as it relates to the statutes.
7 They're under a tight window, because that got
8 started late, but it's still due to the AG October 8th, so
9 they have to get all their field work done and interviews
10 done and data compiled and submit to the state.
11 We're going to show you here in a minute our
12 draft annual report after Dan goes through his financial
13 reports.
14 For the people that encourage us to be more
15 transparent, thank you very much, Reddit and Tik Tok.
16 There probably isn't an organization in the state that's
17 more transparent than us. We post everything, what we do
18 to the website, every check we write, every contract we
19 write. And, moreover, most people don't know this because
20 it's kind of off the radar. We are obligated to go to the
21 legislature once a year and present an annual report.
22 That's presented to the joint committee on capital review.
23 That report you're going to see today in draft form.
24 We're going to, you know, get some public input on it.
25 It's also due to the state October 1st.

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1 So there's two very important exercises from
2 external auditors taking a look at Rio Nuevo and how we
3 govern ourselves. Both of those will be released between
4 now and August.
5 And, Dan, I think we're ready for you and your
6 financial update.
7 **MR. MEYERS:** This is Dan Meyers. I'm the CFO
8 here at Rio Nuevo.
9 As of July 31st, we had about \$10.3 million in
10 our operating accounts. Of that a little over 700,000 is
11 set aside for the August debt service payment leaving
12 about 9.6 million.
13 Because of the delay of getting information
14 from the state, we're a little tardy getting some rebate
15 checks cut and moved into the accounts. That has been
16 done, but that's \$407,000 and, you know, we estimate that
17 we're going to have \$475,000 in cash flow after debt
18 service and all that good stuff. So as of July 31st, we
19 have about \$15 million that will be available over the
20 next year for project funding.
21 The next line down we show the projects we've
22 got outstanding commitments with of 15.6 million. I
23 estimate about 6 million of that will be outside of the
24 next year, so that leaves about \$9.6 million to be going
25 out within the next year. So the two numbers (inaudible)

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1 out is about 5.3 million, so that's pretty consistent with
2 where we've been. It might even be up a bit.
3 One of the reasons is a couple projects dropped
4 off our list. If you look on the next page, that's
5 detailed, those numbers I just spoke about, but the
6 Thunder Bacon project for about \$350,000 has gone away and
7 the Copal investment of what we thought was going to be
8 \$123,000 ended up being about 49, so we recovered almost
9 \$400,000 there.
10 Just a couple quick items. I got a note today
11 from the Arizona Department of Revenue that our June TIF
12 is going to be 1.2 million. That's significantly less
13 than what we budgeted. We're budgeting \$1.6 million.
14 Until Brandi and I see the details and go through that
15 stuff in a very detailed manner, I don't know why it's so
16 short. It could be as simple as some big store not filing
17 on time, but, anyways, we will keep you apprised on that.
18 If it does come in at 1.25 million, we will
19 get \$19 million in TIF revenue for this fiscal year, which
20 is our best ever, and then we hope we can just keep
21 clipping along with the 1.6 or more every month.
22 I think that pretty well sums of it unless
23 somebody's got some questions.
24 **CHAIRMAN McCUSKER:** Go back to the commitment
25 page, a couple of quick updates we can share on some of

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1 those.
2 Cafe Francois is open. You know, it's a really
3 fun place if you're looking for a French cafe. It's at
4 Broadway and Alvernon, really cool local people that we
5 help support.
6 You probably -- if you've driven down Broadway,
7 you've seen the very rapid progress at Trader Joe's.
8 They're estimating that store will be open by January, so
9 they're planning a big shindig to celebrate that. It's
10 moving incredibly rapidly on that.
11 The Sosa-Carrillo house is a mess. The adobe
12 there, 150 year old adobe, was severely damaged when it
13 was stuccoed. You can't put a concrete product on mud
14 adobe without damaging the mud adobe. So in an effort to
15 be authentic we're restoring the original mud adobe
16 product and we'll plaster it with a mud-related plaster.
17 They're suggesting that could take a year or longer, so
18 that project -- we probably saved that buildings based on
19 what we've discovered. When adobe erodes, at some point
20 you've seen adobe ruins around the region, it literally
21 collapses in on itself so that the original adobe -- I
22 think the last original adobe in that area will survive
23 and hopefully work its way into our program.
24 The skate park we talked about. That's
25 delayed.

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1 I'm trying to think.
2 Moxie Hotel, that's in its waiting period.
3 The IFL was here Saturday. They tell me the
4 attendance was right around 3,100. We'd rather see 5,100,
5 but I think we're all committed to work on that for next
6 year. They have a three-year deal with us.
7 We talked about the Friedman block and the
8 Country Home Block.
9 Indian Trading Post, Zach said a meeting or two
10 ago they expect that to be open by the end of the year.
11 That's the Cornish pastry.
12 Okay, Dan. Thank you.
13 Any questions for Dan?
14 (No oral response)
15 **CHAIRMAN McCUSKER:** All right, Ronnie --
16 Well, let's talk about the annual report. So,
17 Brandi, if you want to pull that up.
18 I mentioned in my opening remarks that every
19 year we go to the legislature with an annual report. I
20 don't think we've ever released it publicly before we do
21 that. This time around we're showing you a draft. It
22 will be on the website. People can comment about it or
23 make suggestions to it. It's also available to our board
24 members in terms of format or content before it's actually
25 due to the state. We do have to deliver it to the

1 legislature by October 1st.
2 But just quickly, Brandi, if you want to flip
3 through the PowerPoint. And for some reason, we see a
4 very small page.
5 Can you expand it?
6 **MS. HAGA-BLACKMAN:** This is a PD, so if I
7 expand it, you'll see it in -- you won't see the whole
8 page.
9 **CHAIRMAN McCUSKER:** Weird dimensions.
10 **MS. HAGA-BLACKMAN:** It's not the PowerPoint.
11 This is the annual report.
12 **CHAIRMAN McCUSKER:** What if you expanded your
13 screen? Are you minimized?
14 **MS. HAGA-BLACKMAN:** I --
15 **CHAIRMAN McCUSKER:** Do you have a PowerPoint
16 version? It's really hard to see.
17 **MR. MARQUEZ:** You can't just hit the plus sign?
18 **CHAIRMAN McCUSKER:** Hang on. We're going to
19 try something that's a little more viewable.
20 **MS. HAGA-BLACKMAN:** So, Fletcher, there's two
21 things. There's the annual report or there's the --
22 **CHAIRMAN McCUSKER:** Yeah, the one that we're
23 about to send to the legislature, the one you just showed,
24 do you have that --
25 **MS. HAGA-BLACKMAN:** That one, yeah.

1 **CHAIRMAN McCUSKER:** -- in PowerPoint?
2 **MS. HAGA-BLACKMAN:** No, that's not in
3 PowerPoint.
4 **CHAIRMAN McCUSKER:** And --
5 **MS. HAGA-BLACKMAN:** So do you want what you
6 displayed -- you showed at the meeting this morning?
7 **CHAIRMAN McCUSKER:** No. It's the report that's
8 coming up due. I wanted to preview it.
9 **MS. HAGA-BLACKMAN:** Yeah, this is this one.
10 **CHAIRMAN McCUSKER:** Yeah, that's this one.
11 That's as big as we're going to get it?
12 **MS. HAGA-BLACKMAN:** So if you want it larger,
13 yeah, I can do that, but you're not -- it's not going to
14 show the whole thing all at once.
15 Do you see what I'm saying?
16 **CHAIRMAN McCUSKER:** Large is better, so slow
17 down. Let's touch on every page so we can just talk about
18 it. And there's some themes here that you will see.
19 So we're obligated to present
20 a-project-by-project report. And in that report we
21 include our investment and the developer investment, the
22 timeline for the process, and there's some appendix data
23 that talks about the project.
24 So are these in chronological order, Brandi, or
25 are they random?

1 **MS. HAGA-BLACKMAN:** This is the report to the
2 legislature. This is the 500 (inaudible), so there's --
3 **CHAIRMAN McCUSKER:** Is it alphabetical?
4 **MS. HAGA-BLACKMAN:** These are alphabetical, but
5 they don't include all the projects. All the projects are
6 right here.
7 **CHAIRMAN McCUSKER:** Let's just go through --
8 start with that page right there. That's a good summary
9 page. Obviously this is a work in progress. See if you
10 can expand that.
11 All right. So what were about to show the
12 legislature that we're previewing for the board and our
13 audience is some 20 something projects in the fiscal year
14 that ended June of this year. Maybe you're surprised.
15 I'm not surprised.
16 As you go through them, Brandi, virtually every
17 one of them is a local small business. And if you just
18 scroll slowly, you know, from Zeke's Pizza to, you know,
19 everything else, the only big project on there is, of
20 course, the Moxie. But if you look at our leverage, which
21 is one of the things the legislature tracks, that bottom
22 line number there, we've invested \$7 million.
23 Go back one, or you have it again.
24 And the private sector -- we've invested
25 14 million total. Our private sector partners have

1 invested \$54 million.
2 **MR. MARQUEZ:** Fletcher, if you think about it,
3 we would be hard pressed to put together a list of
4 non-small business or local people.
5 **CHAIRMAN McCUSKER:** Yeah. I mean, it's all
6 about local small business. That's what we talked about
7 at the chamber meeting today. You know, people that know
8 us and understand us and do the research know that we're
9 not just about the Live Nations of the world and it was an
10 undeserved dust up and, you know, the truth prevails.
11 So this report will be posted. It will go to
12 the legislature. We have to go up and defend our
13 activity, and this is the basis of that context.
14 So we will present every project, but if you go
15 back again to the summary -- and we're working with Linda
16 and Caliber and how to use this data, Batch, Cafe
17 Francois, Cal's, Cold Beer, Copal, De Novo, Elliott's,
18 Gibsons, Herbert's, MSA Annex twice, The Roger, the local
19 UPS, Vertigo Wines, Zeke's Pizza, what we're doing with
20 the DPD and security, what we're doing with murals. We
21 talked about that. We saved the Roadrunner's franchise.
22 Oh, by the way, we're helping build a skate park. We've
23 issued \$750,000 in small business grants and we brought
24 the indoor football league here.
25 I'd stand behind this data any day of the week.

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1 And I get to. I have to go to the legislature and explain
2 to them what were doing. And they -- they read the
3 headlines and, you know, the columnists, you know, from
4 Tim Steller on about how we only do deals with big and
5 rich developers, so hopefully this story begins to tell
6 the truth.
7 So if you have an idea, you have a comment and
8 you want to see it presented any differently, you know,
9 let Brandi know. And we've got a month, basically, to
10 work on it.
11 Okay. Ronnie, now we're ready for you.
12 We presented Batch, extraordinary operator.
13 We're so thrilled that you're downtown.
14 They've done an unbelievable amount of work on
15 this ancient building to activate the ground floor and the
16 basement, and then they presented to us the idea to create
17 basically a sports bar on the third floor.
18 We now take a pause with every presentation and
19 allow two weeks for this to simmer. I don't know if
20 anybody needs to be reminded.
21 I don't know, Ronnie, if you have a PowerPoint
22 or, Brandi, if we can maybe summarize the terms. This is
23 identified as an action item.
24 Ronnie, anything you want to say, anything
25 that's changed since you presented?

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1 **MR. SPEECE:** Yeah, just one note. I know there
2 was some mention, concern, of the architect and
3 engineering fees that I guess were erroneously included as
4 something Rio Nuevo would contribute, but since we have
5 100 plus year old floors, we've kind of -- the budget's
6 increased on that side, so we would still like to ask for
7 the same amount of the 175,000, but we will not be
8 submitting any receipts for architect or engineering fees
9 towards that, so --
10 **CHAIRMAN McCUSKER:** Brandi, do we have at least
11 a budget page? Do you have --
12 **MS. HAGA-BLACKMAN:** Ronnie, do you have that
13 readily available?
14 **MR. SPEECE:** Well, no. I'm actually on my
15 iPad. I don't have that. I wasn't sure that I needed to
16 re-present, so I apologize on that.
17 **CHAIRMAN McCUSKER:** I think we just want to
18 hone in on the budget if somebody can find that.
19 **MR. SPEECE:** Yeah. The full amount is 350,000.
20 **CHAIRMAN McCUSKER:** Brandi?
21 **MS. HAGA-BLACKMAN:** Ronnie, can you see my
22 screen?
23 **MR. SPEECE:** Yeah.
24 **MS. HAGA-BLACKMAN:** Which one is it?
25 **MR. SPEECE:** It would be that --

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1 **MS. HAGA-BLACKMAN:** This one?
2 **MR. SPEECE:** You have the full PowerPoint.
3 There. It looks like the Batch presentation.
4 **MS. HAGA-BLACKMAN:** From July 16th?
5 **MR. SPEECE:** Yeah, that should be the one.
6 **CHAIRMAN McCUSKER:** Is that our office
7 internet, Brandi?
8 **MR. SHEAFE:** It's just taking some time to
9 load.
10 **CHAIRMAN McCUSKER:** Go ahead, Ronnie. Just
11 kind of walk through the high level budget and what we're
12 going to vote on today.
13 **MR. SPEECE:** Yeah. So we are well along in the
14 process here. We've got all the plumbing and electrical
15 in other than the finishes. The bar area has been
16 recently tiled. The bathrooms are tiled and ready for
17 fixtures. So we're -- we're hoping to be maybe seven,
18 eight weeks out here. It's moving along quite well, so
19 we're feeling pretty good about where the budget is.
20 We've put in all new plumbing that did not
21 exist upstairs, electrical. It was just cubicles up there
22 for the last 17 or so years. We've done a lot of the
23 infrastructure already. And that's, you know, some
24 framing in there, again restoring 100 plus year old floors
25 to their original glory. They were covered with paint and

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1 carpet, and so they've been -- and in the basement, that's
2 why it's so dark where I am, because it's very loud
3 upstairs. They're doing the fine sanding on those floors
4 currently, so those are just about two weeks away from
5 being ready to put things on. So, yeah, that's kind of an
6 update on where we're at.
7 And, again, the full budget was \$350,000 and
8 the request to Rio Nuevo was 50 percent of that at 175.
9 **CHAIRMAN McCUSKER:** Brandi, are you still
10 stuck?
11 **MR MEDCOFF:** I can share my screen. I've got
12 the presentation if somebody --
13 **CHAIRMAN McCUSKER:** If you'll give Tim screen
14 share.
15 The Rio Nuevo people need some new internet.
16 **MR. SPEECE:** Right before I came on, I lost
17 complete connection, so I feel your pain.
18 **MR MEDCOFF:** Do you guys see that?
19 **CHAIRMAN McCUSKER:** Yes. Thank you.
20 **MR MEDCOFF:** Scroll down to the budget.
21 **CHAIRMAN McCUSKER:** Any comment you want to
22 make along the way, Ronnie. We know this is the third
23 floor. It's been vacant.
24 **MR. SPEECE:** Yeah, generating zero, you know,
25 revenue or sales tax revenue for quite some time and we're

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1 looking to activate over 3,000 square feet up there.
2 So there's -- this is again that architect and
3 engineering. You can kind of throw that out, but we still
4 believe we will hit that 350 number.
5 When we did the basement, we actually didn't
6 use all the funds we were awarded, so we're -- you know,
7 we're not looking to pinch every penny out. Whatever it
8 comes to up to that amount is what were committed to
9 doing.
10 **CHAIRMAN McCUSKER:** What's the board's
11 pleasure? A great operator, a local program, very
12 successful, expanding. Somebody want to make a motion?
13 **MR. SHEAFE:** Well, I think we can make a motion
14 to approve subject to our normal provisions of review for
15 what qualifies and doesn't qualify for Rio Nuevo
16 participation to the degree of 50 percent and ask that,
17 subject to that qualification, we prepare a new benefits
18 agreement.
19 Is that necessary here, Tim?
20 **MR MEDCOFF:** It would an EBA up to the cap of
21 50 percent reimbursement on the 350 for the construction
22 costs.
23 **MR. SHEAFE:** Yeah, to cap subject to the review
24 by our normal standards and authorize the executive
25 officers to execute the agreement once counsel has

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1 prepared it.
2 **MS. VILICANA:** Second, Taunya.
3 **CHAIRMAN McCUSKER:** We have a motion and a
4 second to contribute up to 50 percent of their costs
5 activating the third floor.
6 Any questions of counsel or Ronnie?
7 **MR. MARQUEZ:** I've got a comment.
8 I said it last meeting, I'll say it again,
9 Ronnie. You all have continually delivered for us. I
10 appreciate it. Typically your deals -- you know, we see
11 so many deals, so many are speculative like it's going to
12 happen, we think it's going to happen, we're working on
13 it. You're usually mid swing when you come to us. I
14 remember when Fletcher and I went downstairs to your -- to
15 your -- your space in the basement level and it was
16 halfway built. So thank you for all you're doing
17 downtown. You guys are doing a fantastic job.
18 **MR. SPEECE:** Thank you.
19 **CHAIRMAN McCUSKER:** Brandi, you can call the
20 roll.
21 **MS. HAGA-BLACKMAN:** Chris Sheafe.
22 **MR. SHEAFE:** Yes.
23 **MS. HAGA-BLACKMAN:** Corky Poster.
24 **MR. POSTER:** Aye.
25 **MS. HAGA-BLACKMAN:** Shea Jimenez.

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1 **MS. JIMENEZ:** Aye.
2 **MS. HAGA-BLACKMAN:** Taunya Villicana.
3 **MS. VILICANA:** Aye.
4 **MS. HAGA-BLACKMAN:** Mike Levin.
5 **MR. LEVIN:** Aye.
6 **MS. HAGA-BLACKMAN:** Jannie Cox.
7 **MS. COX:** Aye.
8 **MS. HAGA-BLACKMAN:** Edmund Marquez.
9 **MR. MARQUEZ:** Aye.
10 **MS. HAGA-BLACKMAN:** Richards Oseran.
11 **MR. OSERAN:** Aye.
12 **CHAIRMAN McCUSKER:** I vote aye. That's
13 unanimous.
14 (Motion made, seconded and passed unanimously).
15 **CHAIRMAN McCUSKER:** I echo Edmund, Ronnie.
16 Thank you for everything that you do. When you're done
17 with this third floor, we've got a couple of buildings
18 downtown that --
19 **MR. SPEECE:** My wife would kill me.
20 **CHAIRMAN McCUSKER:** Well, we just won't tell
21 her.
22 **MR. SPEECE:** She's watching.
23 **CHAIRMAN McCUSKER:** Oh, darn.
24 Thanks again.
25 **MR. SPEECE:** Thank you.

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1 **CHAIRMAN McCUSKER:** We'll be in touch on the
2 process, but I think you know the drill.
3 **MR. SPEECE:** Yes, sir. Thank you.
4 **CHAIRMAN McCUSKER:** Thank you very much.
5 We want to go back and visit the Welcome Diner
6 project. We approved a GPLET for Welcome Diner two
7 meetings ago. It's running through its obligatory waiting
8 period. In the meantime, the developer/owner, Sloane, has
9 approached us about splitting the parcel. He intends to
10 sell the eastern half to his apartment developer partners,
11 Ridgehouse, so ultimately that could require two GPLETs.
12 So their attorney is online.
13 Tim, you've done a lot of work. Explain kind of
14 how we go forward with this request. Go ahead.
15 **MR MEDCOFF:** I think Ronnie just muted himself.
16 So thank you, Mr. Chairman. Rory Juneman is
17 the attorney for Welcome Diner and he can correct me if
18 I'm mistaken, but as the board and the public may recall,
19 a little over 60 days ago, the Welcome Diner project came
20 forward asking for a GPLET of the Welcome Diner/Ridgehouse
21 multi-family residential project there near Euclid and
22 Broadway.
23 Since the board initially approved it, it then
24 has to go through a notice provision of 60 days. That
25 notice went out with the prime lessee being listed as WC

1 Tucson 1. 60 days has now passed and there's been no
2 notice or objections from any of the taxing authorities,
3 so the project is now in position to move forward with a
4 vote on the GPLET to be formally executed by the board if
5 that's their decision today.
6 Under the statutes, because this project is
7 predominantly residential, an economic study is not
8 necessary, so an economic study has not yet been done.
9 However, under the prior board's agreement and the vote
10 that happened a couple months ago, it does include some
11 sales tax rebates to the prime lessee.
12 The developers have requested to just move
13 forward with the GPLET for the residential under WC Tucson
14 per the statutes. Somewhere down the road, the prime
15 lessee can assign it, and that's their inclination, to
16 assign it to Ridgehouse so that Ridgehouse can build-out
17 the residential position to provide more housing in that
18 downtown corridor near Euclid and Broadway. And that also
19 complies with the statutory requirements.
20 So with that, I'm happy to answer any
21 questions.
22 There will be a second ask of Welcome Diner and
23 its principal Sloane McFarland and one of his entities
24 related to the sales tax rebate that was affixed to the
25 original GPLET that was voted by the Rio Nuevo board a few

1 years ago, but for these purposes today, Ridgehouse and WC
2 Tucson is looking for a GPLET related to the residential
3 portion, which will eventually get assigned from WC Tucson
4 to Ridgehouse as the developer/builder of that
5 multi-family unit.
6 **CHAIRMAN McCUSKER:** Rory, do you want to add
7 any color to that on behalf of your client?
8 **MR. JUNEMAN:** Yeah. Tim, I think that is --
9 that is all just perfect. I don't think I could say it
10 any better. The only thing I want to add is Ridgehouse
11 likely will come back at the same time with Welcome to ask
12 for some TPT sale tax rebate.
13 When we originally did this presentation, he
14 had said that the apartment wasn't going to have any
15 retail in it. We've since gone through in June and July
16 and had some design review committee meetings with the
17 committee to set up pursuant to the Welcome pad zoning.
18 And because of that effort, Ridgehouse has actually added
19 a little bit of retail, about 2,500 square feet of retail
20 for the apartment as well to complement the Welcome Diner
21 detail.
22 And, Mr. Chair, if you'd like, we do have a few
23 of those slides. They're a little bit different than what
24 we originally showed. I'm happy to kind of walk through
25 very briefly what that looks like and how that's going to

1 function, but --
2 **CHAIRMAN McCUSKER:** Let's get Rory screen
3 share.
4 You can pull those up, Tim. Go ahead.
5 **MR MEDCOFF:** Yeah. Just to add while Rory's
6 getting that teed up, because there will be a TPT ask down
7 the road, there will be an economic study that needs to be
8 done and a reposting of the -- any second GPLET related to
9 the Welcome Diner, so that -- if that happens, which it
10 sounds like Rory and his client intends to do, then that
11 will come back to the full board and the public for
12 comment and consideration, so today's vote would just be
13 proceeding with the GPLET for the residential portion.
14 **CHAIRMAN McCUSKER:** And they don't necessarily
15 need to be at the same time; right? I mean, Ridgehouse
16 will have a GPLET if we approve it today. If they want to
17 negotiate for other considerations later, they can do that
18 independent of anything the Welcome Diner does. And at
19 the same time, we would have to entertain a Welcome Diner
20 GPLET and any rebates that might go to the commercial
21 side.
22 **MR MEDCOFF:** Correct.
23 **CHAIRMAN McCUSKER:** All right. Rory, go ahead.
24 **MR. JUNEMAN:** Yeah. And I'd be remiss if I
25 didn't just thank Tim and Fletcher for working through

1 this. I think this was -- when we started off and
2 realized this was a little bit more complicated than a
3 typical, you know, because we are going to have two
4 eventual owners. We're got an apartment that has retail
5 in it, so I think there's some layers to this one that are
6 a little bit more complicated than others. And I really
7 appreciate them working this through with us.
8 When we presented in -- I think the last time
9 we presented was June, maybe it was May when you last saw
10 these slides. This was our site plan, and it hasn't
11 changed except for, like I mentioned, we're adding up to
12 about 2,500 square foot of ground floor retail facing
13 Broadway. That was a direct result of our working with
14 some of the neighbor representatives of the DRC. They
15 wanted a little bit more retail and the Ridgehouse team
16 and their designers were able to accommodate that.
17 This is the front of the project. It really
18 hasn't changed a lot since June, but this is looking kind
19 of from the Broadway-Park corner. We fleshed out a little
20 bit more of the design since the last time. This is the
21 walkway that will connect to the transit stop there but
22 also is going to incorporate some rainwater harvesting and
23 some landscaping, have a nice area for people to wait for
24 the bus.
25 This is our new retail area again facing

1 Broadway, but what -- what our architect really wanted to
2 do was activate this space a little bit more, give it a
3 more human scale, so they've done things like creating a
4 small canopy, some lights. This is early on in the
5 design. I would imagine that there will be even more sort
6 of pedestrian and customer-focused amenities in this area,
7 but we really were happy with the way it turned out.
8 And then this is that same retail area. That's
9 to the plaza between the diner and the apartments. That
10 plaza is going to be activated by the uses that Sloane is
11 working on really kind of as we speak for the diner
12 opening up kind of a coffee window, a food window to that
13 space in between, so it will be a customer space both for
14 the diner and for that retail that goes in for Ridgehouse.
15 It is something that -- that has like the coffee or
16 restaurants that has customer space outside.
17 This is just a view of the diner. Sloane is
18 working on some additional improvements like adding patio
19 space in the front and in the back. We'll have to go back
20 to the Welcome pad ERC when he has those fleshed out, and
21 so look forward to that process.
22 One of the cool things that the architect came
23 up with in response to more commercial activity is the
24 potential for using some of the space down in front that's
25 designed for ride share pick up for the most part, maybe a

1 little bit of parking, but they've modified this so they
2 could include things like -- whether it's farmers markets,
3 art fairs, community-type events, maybe food truck courts
4 that can do events, you know, quarterly or maybe more
5 often during the winter. But we got this as really kind
6 of a creative idea to captivate some of that space right
7 at the corner of Park and Broadway.
8 Then this is just a rendering of the back of
9 the project on 12th. Right now it's really a barren area,
10 but what they want to do is activate that by having
11 ground-level entrances for the ground-level apartments
12 along 12th. We think that will activate that area and
13 really look nice.
14 And then this is just some renderings of the
15 garage at Tyndall and 12th and the streetscape.
16 So we're really excited about this. Ridgehouse
17 I believe is submitting their development package
18 relatively soon. It looks like they're going to do that
19 today, but this week they'll have the development package
20 in, so they're really moving forward.
21 We're very excited about being here. And with
22 that, we just open up if you have any questions about
23 either the project or our GPLET request.
24 **MR. POSTER:** Rory, I have one question. This
25 is Corky. What is the construction cost of the

1 development that you've just shown us?
2 **MR. JUNEMAN:** I think originally -- I'm working
3 off of memory, so, Kevin, I don't know if you could chime
4 in with that, but I think it was around 70 million.
5 I should have introduced (inaudible). Kevin
6 O'Keefe is the other person on your screen. He's calling
7 in from his phone.
8 **MR. O'KEEFE:** About 75 in hard and land costs;
9 full project, round numbers, a shade under 100 million.
10 **MR. JUNEMAN:** And for the apartments only?
11 **MR. O'KEEFE:** Yes.
12 **MR. SHEAFE:** How many units?
13 **MR. O'KEEFE:** I'm sorry. You cut out.
14 **CHAIRMAN McCUSKER:** How many units?
15 **MR. O'KEEFE:** 231.
16 **MR. POSTER:** What is the demographic expected
17 to be for the tenants?
18 **MR. JUNEMAN:** It's a market grade project, but
19 the zoning, it has to be sort of rented by the -- by the
20 unit, so it's multi family under zoning. But the expected
21 demographic, likely they're going to get some students,
22 likely they're going to get some folks from downtown, so
23 kind of that younger professional -- students, people who
24 work at the university, that's really the demographic.
25 **MR. OSERAN:** And how many bedrooms are in these

1 units?
2 **MR. O'KEEFE:** 496.
3 **MR. JUNEMAN:** Well, I think they range from
4 studios to -- studios, one bed, two beds. Studios, one,
5 two, three, then there's a few four bedrooms. But it's a
6 pretty even unit mix, so that sort of goes to their -- the
7 demographics they're looking for. It's kind of a wide
8 variety. I think most are in the one and two bedroom
9 categories if I remember correctly. Kevin --
10 **MR. O'KEEFE:** You're correct, Rory.
11 **MR. JUNEMAN:** Yeah.
12 **CHAIRMAN McCUSKER:** I think what he's driving
13 at, it's not a dorm. These aren't, you know, four-bedroom
14 units rented out individually to students.
15 **MR. JUNEMAN:** That's not allowed under the
16 zoning, but really based on their unit mix, it's a pretty
17 diverse offering of unit sizes, so they're really looking
18 to capture tenants that want to be in this area. Again,
19 there might be some student there, but it's really more of
20 a diverse mix of tenants they're looking for.
21 **MR. OSERAN:** Thank you.
22 **MR. POSTER:** The reason I asked my question
23 about construction is folks tend to forget that Rio Nuevo
24 gets sales tax and sales tax is produced by -- there's a
25 construction sales tax. And just a quick calculation on

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1 \$75 million is just under a half a million dollars in
2 sales tax revenue from the construction, which means
3 that's generated before the ribbon's cut.
4 **MR. JUNEMAN:** That is absolutely, correct,
5 yeah.
6 **MR. O'KEEFE:** Yes, we factored for that. Thank
7 you.
8 **CHAIRMAN McCUSKER:** Any questions for the
9 developer, for Rory, for Tim?
10 (No oral response)
11 **CHAIRMAN McCUSKER:** We've seen the GPLET lease
12 in executive session, so we're being asked to approve a
13 GPLET for Ridgehouse for a 271-unit apartment complex.
14 There's no retail today. We also separate out the Welcome
15 Diner. So if Ridgehouse wants any consideration for their
16 retail, they have to come back. And that would be subject
17 to an economic study. And Welcome Diner has indicated
18 they intend to come at a later date to do a GPLET just on
19 the commercial side.
20 **MR. SHEAFE:** Mr. Chairman, I think all we need
21 to do today is authorize the executive officers to sign
22 the authorization on the GPLET, because it follows the
23 motion that has already been approved but has been pending
24 subject to the 60-day statutory period of delay.
25 **CHAIRMAN McCUSKER:** Make that a motion.

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1 **MR. SHEAFE:** I'll make that a motion.
2 **CHAIRMAN McCUSKER:** All right. Somebody second
3 that, please.
4 **MS. COX:** Second.
5 **CHAIRMAN McCUSKER:** Is that Jannie?
6 **MS. COX:** Yes.
7 **CHAIRMAN McCUSKER:** Thank you.
8 Okay. We have a motion and a second to approve
9 the GPLET for the Ridgehouse side only. Any retail
10 consideration there will come back to us and be subject to
11 a third-party evaluation.
12 Brandi, you can call the roll.
13 **MS. HAGA-BLACKMAN:** Chris Sheafe.
14 **MR. SHEAFE:** Aye.
15 **MS. HAGA-BLACKMAN:** Corky Poster.
16 **MR. POSTER:** Aye.
17 **MS. HAGA-BLACKMAN:** Shay Jimenez.
18 **MS. JIMENEZ:** Aye.
19 **MS. HAGA-BLACKMAN:** Edmund Marquez.
20 **MR. MARQUEZ:** Aye.
21 **MS. HAGA-BLACKMAN:** Jannie Cox.
22 **MS. COX:** Aye.
23 **MS. HAGA-BLACKMAN:** Richard Oseran.
24 **MR. OSERAN:** Aye.
25 **MS. HAGA-BLACKMAN:** Taunya Villicana.

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1 **MS. VILLICANA:** Aye.
2 **MS. HAGA-BLACKMAN:** Mike Levin.
3 **MR. LEVIN:** Aye.
4 **MS. HAGA-BLACKMAN:** Fletcher McCusker.
5 **CHAIRMAN McCUSKER:** I vote aye.
6 (Motion made, seconded and passed unanimously).
7 **CHAIRMAN McCUSKER:** We're so excited for you
8 guys. You know, we had this vision, you know, five years
9 ago and we all got a little bit sidetracked when the
10 financial markets dried up, so we're very grateful to
11 Ridgehouse. And this will also enable the reopening of
12 one of our favorite establishments, the Welcome Diner, so
13 welcome to the gateway of downtown.
14 That passes unanimously. Legal will be in
15 touch with you guys. Rory knows the process.
16 **MR. JUNEMAN:** Thank you all very much.
17 **MR. O'KEEFE:** Thank you all.
18 **CHAIRMAN McCUSKER:** Thank you, everybody.
19 Okay, Stacks. We're so excited to meet you
20 guys. You just kind of like popped up with this really
21 cool concept. You're already very successful in the
22 northwest side, so we're eager to hear your story and how
23 we can help you. So introduce yourself and then talk
24 about your project.
25 **MRS. JEFFREY-FRANCO:** Yes. Thank you so much,

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1 Mr. Chairman, the entire board and everyone here today.
2 We're so excited.
3 We do have a presentation. Can we share our
4 screen?
5 **CHAIRMAN McCUSKER:** Absolutely.
6 **MR. HAMMOND:** You are set up for that.
7 **MRS. JEFFREY-FRANCO:** Let me go and do that.
8 Let's see. Can you all see that?
9 **MR. SHEAFE:** We can.
10 **MRS. JEFFREY-FRANCO:** Fabulous.
11 So we are so excited to be here today to talk
12 to you about the best place to come to Tucson. Stacks
13 Book Club is going to be bringing books, coffee and
14 community to the Sunshine Mile.
15 So a little bit about us. My name is Elizabeth
16 Jeffrey-Franco, I go by Lizzy, and this is Crispin
17 Jeffrey-Franco, my partner. We're husband and wife and
18 together we own Stacks Book Club, LLC. We're both native
19 Tucsonans.
20 Prior to opening Stacks Book Club, we spent
21 most of our careers in higher education actually, 15 plus
22 years in administration and marketing and communications.
23 Before Stacks, I was a communications director at the
24 college of medicine. Crispin was director of workforce
25 development at Pima Community College. And then in 2023

1 we followed our dreams and opened Stacks Book Club in Oro
2 Valley, Arizona.
3 So we're a brick and motor location right now.
4 We're a combination of a bookstore and a coffee bar. We
5 also serve tea, lemonade, beer and wine. We're open every
6 day. We've been open for just over two years and we're
7 really proud to say it's been a huge success for us, a
8 very successful business, and we're ready for the next
9 chapter.

10 **MR. JEFFREY-FRANCO:** So if you haven't had an
11 opportunity to visit Stacks Book Club, like Lizzy said,
12 we're a bookstore, we're also a coffee shop. I think the
13 heart of what really makes Stacks special is the community
14 centered approach to everything that we do. All of our
15 products or as many of our products as we possible can
16 come from within our community, so our coffee is roasted
17 locally, our tea comes from Tucson, our beers come from
18 Tucson, all of our non-book goods.

19 We're looking in the communities to find
20 talented makers to bring into the space. So what we try
21 to do with the store is provide a platform for other local
22 makers and crafters to be able to tap into our audience.

23 But outside of that, our bookstore is different
24 than any other bookstore and any other coffee shop. It's
25 really a place about being in the space. Where most

1 **MRS. JEFFREY-FRANCO:** So we have some
2 photography here. This is our current space in Oro
3 Valley. You kind of get a sense of the vibe and the
4 esthetic and what our current setup looks like. As
5 Crispin mentioned, it's a community space. It's a place
6 for gathering. We host book clubs, casual meet-ups, tons
7 of events throughout the month.

8 Here are some photos of recent events that
9 we've held. We've had some pretty large events actually.
10 So we're hosting New York Times best selling authors up in
11 Oro Valley. We had Megan Miranda, author of You Belong,
12 Here just a few weeks ago, we've had Lyla Sage, a best
13 selling romance author. We also hosted Christina Loren,
14 another best selling author. That event got so, so big
15 that we had to move it off site to the -- not the
16 botanical gardens.

17 **MR. JEFFREY-FRANCO:** To the Tohono Chul.

18 **MRS. JEFFREY-FRANCO:** Tohono Chul, yeah, just
19 to accommodate the number of readers that had interest in
20 participating with us, so tons and tons of events.

21 Because our space is limited in our store, we
22 can only host about 100 people right now in Oro Valley, so
23 we're very much looking forward to a larger, more central
24 location where we can host more folks in the store and be
25 more accessible.

1 coffee shops, you know, really are trying to get as many
2 heads through the door, we love that, but we also want
3 people to sit and actually have an opportunity to connect
4 and faster community and develop a connection to the
5 space, to the staff, to us as business owners and to other
6 members of their community.

7 In two years it's been amazing to see the
8 growth of friendships organically that have come from
9 people bumping into other people in the store and being in
10 an environment that allows you to sit and encourages you
11 to sit and sit, and eventually you're going to browse and
12 eventually you're going to find a book or something in the
13 store.

14 The Broadway location is upping the ante on
15 what we've done in Oro Valley. Since the day that we have
16 opened, the space in Oro Valley has been tight. There's a
17 limited amount of space available in Oro Valley and
18 sometimes it feels like we're on an island way up north at
19 Oracle and Tangerine. And most of the city, it's not very
20 accessible, so by locating in the Sunshine Mile at
21 Broadway and Country Club with a much larger space.
22 We're, so excited for everything that we do currently on a
23 bigger and grander scale and introducing some new
24 offerings to really meet the market needs of the midtown
25 versus the Oro Valley location.

1 **MR. JEFFREY-FRANCO:** So our concept really is
2 very similar to what we're doing in Oro Valley. The space
3 that we're looking at is 2920 East Broadway. Some may
4 remember it as Austin's Ice Cream. We are so excited to
5 be -- we have a signed lease agreement in place with the
6 new building owner there. We're excited for the work that
7 they're going to be doing to bring that part of the kind
8 of attached Broadway Village Shopping Center visually back
9 to life.

10 On the tenant improvement side, it's a huge box
11 with some floating walls that we're going to tear down and
12 then need to go back in and kind of put in the structure
13 that we need to be able to operate the coffee and food
14 business with plumbing and electrical and all the things
15 that go into that.

16 Because we are a retail heavy business, a huge
17 portion of our operation really is in inventory. It takes
18 a lot of cash on our end to be able to stock, you know,
19 10,000 copies of books on the shelves that we know will
20 turn over time, but because of the nature of the book
21 business and the book industry, you know, that -- that
22 inventory can be slow moving and it does take quite a bit
23 of investment on our end to be able to do that, which is
24 why we are here asking for help on the construction side
25 of the project.

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1 So here's a visual of where our location is.
2 We are going to be on the corner opposite Bisbee Breakfast
3 Club there on the Southwest side of the shopping center.
4 We're really excited about being the anchor tenant for
5 that shopping area and really bringing a whole bunch of
6 foot traffic to all the other existing businesses that
7 will be joining on that side of the shopping center.
8 We do have a parking easement in place with the
9 development that houses Natural Grocers and Broadway
10 Village proper, so our customers and guests will be able
11 to park in the spaces in front of the building, but as
12 those fill up, then that shared parking lot that sits to
13 the south of Broadway Village, that is all useable by our
14 guests and customers, so there will be ample parking,
15 especially as we're operating later into the evening for
16 some of our events.
17 This is a simple rough drawing of our concept
18 today. If you've been to Oro Valley, it looks very
19 similar. You know, I think the biggest part -- if you
20 haven't been to our existing space, we'd prefer more space
21 for people to actually be able to sit and gather and be in
22 the store, and so instead of wall to wall bookcases that
23 cut off sight lines and sort of make you feel like -- you
24 know, like you're in an insulated environment, the space
25 is really designed to be open, very airy, very bright.

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1 And in this concept, we're really looking
2 forward to bringing that mid-century charm right back into
3 this space and really dedicate the resources that it will
4 take that our other SBA funding source isn't quite so fond
5 of purchasing for a space like this, really to make sure
6 that we are meeting the mid-century vibe and really
7 revitalizing this, you know, historic landmark of the
8 mid-century zone.
9 So this is what it looks like currently.
10 **MRS. JEFFREY-FRANCO:** Yeah. So this is just a
11 photo of the exterior right now. After it was Austin's, I
12 think it turned over a couple of times, but there's not
13 much to look at on the interior. It's a big empty box
14 just with a couple of floating walls that we need to
15 demolish as Crispin mentioned.
16 But we wanted to really highlight here the
17 pylon. When we were going negotiating our lease, this was
18 something that we were really committed to negotiating.
19 We wanted that pylon. We wanted to make sure that it
20 remained there. We didn't want to see it demolished or
21 just used for general purpose of the shopping center, so
22 that is part of our lease agreement. We're going to have
23 exclusive rights to restore and use that pylon. It says
24 "Since 1959" right on there, so we plan to revitalize
25 that, make a lot of improvements.

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1 This is not a professional rendering. It's
2 something we put together to kind of give you an idea, but
3 we want to breathe life back into that pylon, restore it.
4 We're going to be advertising our business on both sides
5 with it, so it will be visible from Broadway. And we
6 really believe it's just going to be a huge photo
7 opportunity, a huge draw our customers. Both local and
8 people that visit Stacks from afar will be stopping and
9 taking photos of that, so we're going to be seeing that
10 everywhere.
11 You can see this example also shows some of the
12 improvements that the new owner is going to be making to
13 the building, painting the building to match Broadway
14 Village and those types of things as well.
15 **MR. JEFFREY-FRANCO:** So we've provided our
16 financials and our projections. We are really excited
17 about being able to serve a much wider audience than we
18 currently do. The seven mile population at Broadway and
19 Country Club is about ten times larger than it is where we
20 currently operate in Oro Valley, and so there's some
21 obvious benefits to having a more accessible space.
22 There's obviously some different business challenges that
23 will be engaged in in terms of competition, especially on
24 the food and beverage side. We are very confident that we
25 can stand up to that competition, but it's really growing

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1 our book business and growing that event-based business.
2 Lizzy mentioned some of the authors that we've
3 hosted in the past. We're at the point now where we are
4 on publishers' radar. We are drawing crowds from Phoenix,
5 we're drawing crowds from New Mexico and Texas and
6 Colorado and California for some of our events.
7 We have an event coming up in a couple weeks
8 with Matt Dinniman, who's a sci fi author, that we are at
9 about 350 tickets for. That's an off-site event as well.
10 This venue will allow us to be able to host more of those
11 authors in store. Instead of having to share some of that
12 revenue with our event venue, we'll be able to actually
13 capture that all within our business and really grow.
14 Tucson is a hot bed for reading and we see what
15 the festival can do, you know, one weekend in March every
16 year. We know that the readers in Tucson are ready for a
17 flagship Stacks location. So that's our five-year
18 projections for Broadway solely. These do not include our
19 Oro Valley business.
20 The total project cost is about \$550,000 all in
21 on the construction side. We've got a total renovation
22 bid of just over 300,000, and then we have some kitchen
23 costs that will be hard fixed into the project, and then
24 we really are asking for help revitalizing that historic
25 sign and bringing that monument sign back to life in a way

1 that is additive to the community.

2 We do have a 100,000-dollar budget from our
3 landlord that will go to help reimburse us for the project
4 leaving us just over \$220,000 in remaining construction
5 costs, and so our request to you all is for assistance in
6 the amount of \$110,148 to help us bring Stacks Broadway to
7 life.

8 **MRS. JEFFREY-FRANCO:** And I will just add as
9 well we've been -- we felt so supported by the community
10 since we announced Stacks Book Club Broadway. As soon as
11 we signed the lease, we went out with public announcements
12 and we have just received nothing but positivity. We're
13 very active on social media. We've had a couple of post
14 announcing the second location and I think we've collected
15 something like 7 or 8,000 likes across our channels and
16 just countless comments around this is what midtown Tucson
17 needed, you know, thank God you're moving in, we're so
18 excited to see you, and so it's just been incredible to
19 have the community rally around us for support and that we
20 would greatly appreciate any assistance that Rio Nuevo
21 could provide in us bringing this project to life.

22 **CHAIRMAN McCUSKER:** Thank you.

23 **MR. SHEAFE:** I just have to compliment you
24 guys. This is the kind of business and the kind of effort
25 that's gone into it. Your preparation really impresses me

1 having read though a little more about who you guys are.
2 But, you know, Rio Nuevo has as the goal to
3 create a unique flavor to Tucson and you fit this
4 perfectly. But the energy you've put into your business,
5 and I took the time to go up and visit, and I mentioned
6 earlier to some of the other board members that, you know,
7 your business right now is hidden and it's extraordinarily
8 successful.

9 And I had a chance to talk to some of your
10 customers, and they're very excited about it. And it's
11 just hard for me to believe that if you take that concept
12 and put it near the university and Broadway, we may all be
13 surprised by the success that you find.

14 So it's a pretty exciting thing for us and I'm
15 sure my other board members are going to want to support
16 this, but we'll put forth a motion in a few minutes after
17 anybody else has a chance to communicate.

18 **CHAIRMAN McCUSKER:** We can talk about the soft
19 costs. There's 200 and some thousand dollars. What's
20 involved in that?

21 **MR. JEFFREY-FRANCO:** Yeah. So right now we're
22 budgeting \$95,000 of cash that needs to be invested in
23 inventory, 8,000 of that being book inventory from day
24 one, another 15,000 or so in related products to support
25 an overall retail shopping experience.

1 On the -- the food preparation portion of that,
2 you know, we have refrigeration, we have an espresso
3 maker, we have grinders, and in order to produce the
4 quality of coffee that our customers have come to expect
5 and that we are interested in serving, you know, those --
6 those items also come with pretty hefty price tags, so
7 we've got probably another \$50,000 in cafe equipment to be
8 able to operate the food and beverage business.

9 **CHAIRMAN McCUSKER:** Is any of that built in or
10 attached or is it all portable?

11 **MR. JEFFREY-FRANCO:** It will all for the most
12 part be portable. We won't be building like a walk-in
13 closet. There will be -- there are some components that
14 will be built in, and we list that in the budget at
15 \$2,996. Those are things like sinks that will be hard
16 affixed to the wall and then storage that will be hard
17 fixed to all of the walls.

18 **MR. MARQUEZ:** I'd like to just say I actually
19 almost bought this property. It may have been -- I may
20 have been bidding against your current landlord or a new
21 one. I think it might be a new one.

22 **MR. JEFFREY-FRANCO:** Yeah, a new one.

23 **MR. MARQUEZ:** Yeah, okay. So I know that back
24 story. So I just want to say I toured that property and
25 to me, that center -- that center's amazing with the

1 grocery store, the sushi restaurant, et cetera. It felt
2 like that piece had just gone dormant and you are the
3 exact right --

4 And, by the way, when I was in the midst of
5 this, there was conversations about you, so I know this
6 has been conversation that's happening for months. And I
7 toured the old Austin's Ice Cream property and you're
8 right, it's just a -- just a big room with some temporary
9 walls you're going to tear down.

10 But I've got to say to the board this is a home
11 run. You are going to activate that entire space. I
12 think you're going to start seeing a different mix of
13 different tenants, et cetera. And then the fact you have
14 the parking in the back, you're in really good shape. And
15 actually if you have overspill of the parking, it will
16 obviously go onto the DeConcini property, which I'm sure
17 they won't mind. But yeah, this is going to be amazing.

18 Chris is right. I researched Stacks in the
19 midst of that and you're busy. You've got something
20 there. And I think adding this to Broadway and to the
21 Sunshine Mile again is just a home run, so congrats.

22 **MR. POSTER:** Crispin and Lizzy, this is Corky.
23 I also want to congratulate you on a great presentation, a
24 great concept, so thank you for following through, thank
25 you for being here today.

1 I do have two questions that I just wanted to
2 clarify.

3 One is did you ever get your zoning and liquor
4 license problem solved?

5 **MR. JEFFREY-FRANCO:** Yeah, we did. So we
6 worked with our architect, Vince Catalano, and were able
7 to do a pre-construction meeting with the city of Tucson,
8 presented our plans, presented to the full city of Tucson
9 team to really describe what our business is. Our
10 business is unique to Tucson, especially to this part of
11 Tucson, and so through some really productive

12 conversations with the team over at the city, we were able
13 to get to a place where we are very comfortable and
14 confident that the zoning issues have been resolved and
15 that once we put forth our application for our series 7
16 beer and wine permit that that process will be supported
17 as well.

18 **MR. POSTER:** Great. I'm glad that worked out.

19 My other question is, I have to ask, what is
20 happening to this tenant? Is there a tenant in that
21 space?

22 **MR. JEFFREY-FRANCO:** The space is currently
23 vacant.

24 **MR. POSTER:** Okay. Good. We've got burned on
25 that once before, so I wanted to be careful.

1 **MR. JEFFREY-FRANCO:** No. Yeah, the studio that
2 was there before has closed up shop. The space is
3 anxiously awaiting us getting in there.

4 **MR. POSTER:** Okay. Once again, congratulations
5 and thank you.

6 **MR. JEFFREY-FRANCO:** Thank you.

7 **CHAIRMAN McCUSKER:** Under our new rules --

8 **MS. COX:** If I could, I'd like -- could I chime
9 in just for a minute?

10 I mean, this is clean and clear and beautiful,
11 and we've been hoping to see more opportunities to invest
12 in -- although bars and restaurants have been great for
13 Tucson, they're great for Rio Nuevo, but we've been hoping
14 for more opportunities to investigate in small retail like
15 this and this is just perfect. I'm thrilled for you and
16 thrilled for us.

17 **CHAIRMAN McCUSKER:** So this is introductory.
18 We built in this two-week lag after the Live Nation dust
19 up, so you can -- you have my permission to maximize your
20 Reddit, Tik Tok and Instagram accounts to talk positively
21 of you coming downtown. And we will actually vote on this
22 the next meeting.

23 You might take a look at your soft costs. Our
24 general rule of thumb is if you turn the building upside
25 down and it falls down, we don't pay for it. But if

1 something's mounted, if it's built in, if it's attached,
2 you know, there might be more opportunities for us to help
3 you with some of what you're calling soft costs. So we'll
4 walk through that with you between now and the next
5 meeting.

6 But I think you've got a great audience. I
7 think we're thrilled to see your business and just the
8 passion you bring downtown. This is why Rio Nuevo was
9 created. So we'll see you in a couple of weeks. And I
10 think you should sleep pretty well between now and then.

11 **MR. JEFFREY-FRANCO:** Thank you all. We really
12 appreciate the opportunity.

13 **MRS. JEFFREY-FRANCO:** Thank you.

14 **CHAIRMAN McCUSKER:** Thank you.

15 Okay. Last item on the agenda. We talked
16 about it in the comments. The skate park that we approved
17 participating in has been delayed. This is at the --
18 underneath the interstate at Cushing Street.

19 And, Tim, what kind of extension are they
20 looking for? Have we heard what the city wants?

21 **MR.. MEDCOFF:** Yeah. They would like an
22 extension for a year from today. And the reason why is
23 they're going to go through the bid process for this
24 project in the fall, but they'll likely delay construction
25 until after the gem show because they don't want to create

1 more congestion and traffic fiascoes in that area.

2 For the public's edification, this skate park
3 is going to go underneath I-10 on the kind of southwest
4 part of the TCC campus, so that's why the city would ask
5 for a one-year extension from today, so I would say
6 August 31st of 2026.

7 **MR. SHEAFE:** I'd make that a motion.

8 **MS. COX:** Second.

9 **CHAIRMAN McCUSKER:** We have a motion and a
10 second to extend the skate park agreement for a year. All
11 in favor say aye.

12 (Motion made, seconded and passed unanimously)

13 **CHAIRMAN McCUSKER:** Okay. Thank you for that.

14 Future agenda items, we talked about some in
15 the beginning. Anything you want to see on the upcoming
16 agendas?

17 (No oral response)

18 **CHAIRMAN McCUSKER:** And you can always email
19 any of us or Brandi, and I just need a motion then to
20 adjourn.

21 **MR. SHEAFE:** So moved.

22 **MS. VILICANA:** So moved, Taunya.
23 Second.

24 **CHAIRMAN McCUSKER:** All in favor say aye.
25 (Motion made, seconded and passed unanimously)

1 (2:47 p.m.).
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