

**In The Matter Of:**

*Rio Nuevo  
Board Meeting*

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*9/23/25  
September 23, 2025*

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*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 September 23, 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 &amp; ASSOCIATES 6095 East Grant Road Tucson, Arizona 85712 (520)624-8644</p>	<p style="text-align: right;">Page 3</p> <p>1       <b>CHAIRMAN MCcUSKER:</b> Good afternoon, everyone. 2 Welcome to the last summer Rio Nuevo meeting. It's hard 3 to believe that next week will be fall. 4       You know how you know it's fall in Tucson? 5 They plant winter rye grass. That's the only thing you 6 can notice that's different. 7       You should have a virtual flag. 8       Brandi, flag, please. 9       Mike, you're the best at this. We're going to 10 let you lead it. 11       <b>MR. LEVIN:</b> I'll give it my best shot. 12       (Pledge of Allegiance)) 13       <b>CHAIRMAN MCcUSKER:</b> See, he has the right 14 cadence. The rest of you need to practice. 15       Brandi, call the roll, please. 16       <b>MR. HAGA-BLACKMAN:</b> Jannie Cox. 17       <b>MS. COX:</b> Here. 18       <b>MR. HAGA-BLACKMAN:</b> Corky Poster. 19       <b>MR. POSTER:</b> I'm here. 20       <b>MR. HAGA-BLACKMAN:</b> Edmund Marquez. 21       <b>MR. MARQUEZ:</b> Here. 22       <b>MR. HAGA-BLACKMAN:</b> Taunya Villicana. 23       <b>MS. VILLICANA:</b> Present. 24       <b>MR. HAGA-BLACKMAN:</b> Mike Levin. 25       <b>MR. LEVIN:</b> Here.</p>
<p style="text-align: right;">Page 2</p> <p>1 <b>BOARD MEMBERS PRESENT:</b> 2       Fletcher McCusker, Chair 3       Edmund Marquez, Vice Chair 4       Chris Sheafe, Treasurer 5       Taunya Villicana, Secretary 6       Jannie Cox 7       Shay Jimenez 8       Michael Levin 9       Corky Poster 10 11 <b>ALSO PRESENT:</b> 12       Ms. Brandi Haga-Blackman, Administrative Director 13       Mr. Mark Collins, Board Counsel 14       Mr. Timothy Medcoff, Board Counsel 15       Mr. Dan Meyers, CFO 16       * * * * 17 18       BE IT REMEMBERED that a meeting of the Board of 19 Directors of the Rio Nuevo Multipurpose Facilities 20 District was held via ZOOM, in the City of Tucson, State 21 of Arizona, before THOMAS A. WOPPERT, RPR, Certified 22 Reporter No. 50476, on the 23rd day of September 2025, 23 commencing at the hour of 1:00 p.m. 24 /// 25 ///</p>	<p style="text-align: right;">Page 4</p> <p>1       <b>MR. HAGA-BLACKMAN:</b> Chris Sheafe. 2       <b>MR. SHEAFE:</b> Here. 3       <b>MR. HAGA-BLACKMAN:</b> Shay Jimenez. 4       <b>MS. JIMENEZ:</b> (No oral response). 5       <b>MR. SHEAFE:</b> She's here. 6       Shay? 7       <b>MS. JIMENEZ:</b> Oh, I didn't hear her. Sorry. 8 I'm here. 9       <b>MR. HAGA-BLACKMAN:</b> Fletcher McCusker. 10       <b>CHAIRMAN MCcUSKER:</b> I'm here. So we're missing 11 Richard. We have a quorum. 12       You have the board transcribed minutes from 13 July 22nd and August 26th. Unless somebody wants to make 14 a change, I just need a motion to approve. 15       <b>MS. COX:</b> So moved. 16       <b>MR. LEVIN:</b> Second. 17       <b>CHAIRMAN MCcUSKER:</b> All in favor say aye. 18       The ayes have it. 19       (Motion made, seconded and passed unanimously). 20       <b>CHAIRMAN MCcUSKER:</b> This is the time we set 21 aside for executive session. If you're new to Rio Nuevo, 22 we go into exec always first. It will probably take 45, 23 50 minutes today. 24       I need a motion to recess to executive session. 25       <b>MS. COX:</b> So moved.</p>

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1       **MR. LEVIN:** Second.  
2       **CHAIRMAN MCcUSKER:** All right. All in favor  
3 say aye.  
4       (Motion made, seconded and passed unanimously).  
5       **CHAIRMAN MCcUSKER:** Okay. Members, click out  
6 of this meeting. Click onto your executive session link.  
7       Attendees, you can hang out here or come back  
8 in about an hour.  
9       (Recess)  
10       **CHAIRMAN MCcUSKER:** May I have a motion to  
11 reconvene?  
12       **MR. SHEAFE:** So moved.  
13       **CHAIRMAN MCcUSKER:** And second that.  
14       **MS. COX:** Second, Jannie.  
15       **CHAIRMAN MCcUSKER:** All in favor say aye.  
16       (Motion made, seconded and passed unanimously).  
17       **CHAIRMAN MCcUSKER:** Okay. Welcome to the  
18 September 23rd Rio Nuevo meeting. Thank you for allowing  
19 us some time with our attorneys.  
20       A couple fun things to talk about in my  
21 chairman's remarks section. I do have a show and tell.  
22 This is a little cactus trophy right there. This mostly  
23 should be sitting on Jannie's desk, not mine, but it's for  
24 activating El Presidio, a model for community led urban  
25 design, the 2025 Award of Excellence from the American

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1 Planning Association.  
2       And I think we have a video, yes?  
3       Brandi, do you have that video?  
4       **MR. HAGA-BLACKMAN:** I don't.  
5       **MS. COX:** She does. I sent it to you just  
6 before the meeting.  
7       **CHAIRMAN MCcUSKER:** Check your email. If you  
8 have that, just launch it. There was an email associated  
9 with that.  
10       And I think everybody has followed the years of  
11 work with Activate Presidio. They had a really fun open  
12 house last week. More still coming over there, but it's  
13 not often that Rio Nuevo gets recognized along with our  
14 partners at the city, so I thought I'd share that with  
15 you.  
16       And, Brandi, if you find the --  
17       **MR. HAGA-BLACKMAN:** Yeah.  
18       Jannie, you said you sent it to me before the  
19 meeting?  
20       **MS. COX:** Yes, when we were just about to --  
21 when we were waiting for everybody to sign on, I sent it  
22 to you.  
23       **MR. HAGA-BLACKMAN:** Okay. Did you send it --  
24 you sent it to my personal I bet.  
25       **MS. COX:** Oh, I'm sorry. I just -- I always

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1 type in Brandi and it goes where it goes. Sorry.  
2       **CHAIRMAN MCcUSKER:** Did you find it?  
3       **MR. HAGA-BLACKMAN:** Hold on a second. Let me  
4 log in.  
5       Yeah. Hold on.  
6       **CHAIRMAN MCcUSKER:** In the meantime, just some  
7 upcoming things to keep your eye on.  
8       You saw we released our annual report that  
9 started a very nice feature on that. I believe it was the  
10 front page of the paper. I haven't actually seen the  
11 physical paper, but that really shares with everyone on  
12 what we did with our money. Anybody has any questions or  
13 comments, they can always send them to us.  
14       We're obligated to appear in front of the  
15 legislature. That typically would occur between now and  
16 this session, so I'm waiting to hear back from them.  
17       The other thing that's going on simultaneously  
18 I know that's keeping Dan and Brandi busy, we are in the  
19 middle of our Arizona Auditor General's audit. They audit  
20 Rio Nuevo every three years and that should be released --  
21       What's the deadline on that, Dan? October the  
22 8th?  
23       **MR. MEYERS:** Yes, I think so.  
24       **CHAIRMAN MCcUSKER:** It goes to the state, and  
25 then that document will be released sometime in October.

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1 We'll release that to the public simultaneously and talk  
2 about it. We usually have them appear in a meeting,  
3 probably our October meeting.  
4       Go ahead, Brandi.  
5       **MR. HAGA-BLACKMAN:** (Video played).  
6       **CHAIRMAN MCcUSKER:** We receive a lot of  
7 recognition for this. It's total place making. It's  
8 really been fun to watch over the years.  
9       Jannie, thank you very much.  
10       You saw the credits there at the end. We had a  
11 lot of support from a maze of people at the city. Thanks  
12 to Kevin Burke for trying to heard those cats, but we had  
13 help from transportation and others. We ended up closing  
14 a street, which is challenging to do. And most of this is  
15 in the right-of-way, so it was a true partnership with  
16 city government. You see the outcome of that. And Jannie  
17 is not done yet, so stay tuned, I guess I would say, to  
18 see what else she comes up with not only in that section  
19 but around the Rio Nuevo district.  
20       Just to finish my comments on the auditor  
21 general, that report should be submitted to the state  
22 October 8th. It goes public sometime in October, so there  
23 will be some interesting outsiders taking a look at what  
24 we're doing, which we're always proud to make that  
25 available to the public.

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1 So we've got a number of items on the agenda  
2 today, so, Dan, I'll turn it over to you for the financial  
3 report.  
4 **MR. MEYERS:** This is Dan Meyers. I'm the CFO  
5 here at Rio Nuevo.  
6 At the end of August, we had about \$7.6 million  
7 in our operating accounts. About 725 of that is held back  
8 for the next mortgage payment debt service leaving about  
9 \$6.9 million actually sitting in the bank, and then we  
10 project out a year of what we believe our available cash  
11 will be. We'll generate in the next year about \$12.6  
12 million projected.  
13 We've got a pretty long list of projects in  
14 place. It looks like there's about \$14.8 million  
15 remaining to be spent on those projects. And we estimate  
16 about 6 million of that is outside of the next year, so  
17 that obligation for the next year is about \$8.8 million,  
18 so that should leave us as of today about \$3.8 million  
19 available.  
20 We've not received our TIF allocation for July  
21 yet, but I heard from the state today that we expect it to  
22 be about 1.5 million. Our budget is 1.6, but typically  
23 June, July and August are three of our smaller revenue  
24 months if you look back over our history. We're about  
25 \$200,000 down for the last two months from our

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1 \$1.6 million budget, but I don't see any reason to panic.  
2 I think -- when the students are back and Tucson gets  
3 rocking again, I think we'll be fine.  
4 Yeah, we've not received our July or August  
5 allotment yet.  
6 If you want to go to the second page, there's a  
7 list of all the projects.  
8 Fletcher, I don't know if you want to go  
9 through these things individually of if you want to  
10 highlight anything in particular, but, you know --  
11 **CHAIRMAN MCcUSKER:** I think we've gone through  
12 it plenty of times. I think the only point I would make  
13 is these are 90 percent local small businesses.  
14 If you go back to the first page, I think  
15 there's an item I would like to stress.  
16 You'll see, you know, \$12.5 million in cash.  
17 That's assuming we collect on budget for the remainder of  
18 the year. And you'll notice that we've overcommitted to  
19 that number by committing \$14.8 million. So it's not  
20 prudent of big government to spend more money than we  
21 have, but remember our job is to incentivize economic  
22 development, so it's not unusual that we borrow from the  
23 next year or the next couple years to fund present  
24 projects. Why? Well, they're going to produce sales tax  
25 and hopefully that number continues to grow. But it

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1 really challenges us around some of these --  
2 Somebody please mute. Somebody needs to mute.  
3 I can't see who that is.  
4 **MR. MARQUEZ:** Shay. It's Shay.  
5 **CHAIRMAN MCcUSKER:** Shay, will you mute your --  
6 There you go. Thanks.  
7 You know, projects like the Moxie, Obie Hotel  
8 that we've been talking about, there's stuff happening  
9 along Broadway. You know, we're not a sugar daddy  
10 organization by any means. We earn money the old  
11 fashioned way and we commit it to create incremental  
12 revenue.  
13 There's been some conversations I've had with  
14 the governor and other legislators that Rio Nuevo could  
15 really use some money. You can see how successful we've  
16 been. You can measure our success. You can see the  
17 amount of tax that we produce.  
18 We have doubled the tax base in our district.  
19 That means the city is benefiting from that, so is the  
20 state. It's not crazy for us to talk to the state about  
21 the change in the formula or a one-time appropriation or  
22 maybe even some reductions in our debt.  
23 Short of that, we spend what we raise. And the  
24 good news is we can do this for another ten years, but,  
25 you know, there's no flash in this pan.

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1 So I don't know that people really follow our  
2 finances, but just to make certain that everybody  
3 understands, we're presently overcommitted.  
4 **MR. SHEAFE:** Yeah, even a little more than  
5 what's stated in there, Dan. I don't know if you've had a  
6 chance to put in what we approved the last meeting, but  
7 Stacks is a good example. I don't think that's in the  
8 list yet.  
9 **MR. MEYERS:** Perhaps I'm wrong.  
10 **CHAIRMAN MCcUSKER:** Any questions for Dan,  
11 comments on the budget?  
12 (No oral response).  
13 **CHAIRMAN MCcUSKER:** All right. Thank you, Dan.  
14 Brandi, thanks for all your work.  
15 We have a lot of new merchants popping up on  
16 Broadway that, you know, we usually are pretty good about  
17 getting with them to make sure they code their tax  
18 returns.  
19 Nate, you're first up. We can never properly  
20 identify your project. If you want to set the record  
21 straight, we will forever change how we classify you.  
22 But for people that are trying to follow the  
23 geography, you may remember that Rio Nuevo inherited some  
24 55 properties along Broadway and we bid those out to  
25 development partners by blocks.

1 The Solot Block obviously is one of the most  
2 successful examples of that. Zaman's was an entire block  
3 of development. The Friedman Block, the so-called  
4 Doughnut Hole Block, was awarded to Grant Krueger and Nate  
5 Ares and his partners got the south side of Broadway in  
6 and around the former Country Home Furniture store and the  
7 La Buhardilla that was on your block. And they're always  
8 had a really creative plan to develop that.  
9 Nate will tell you, but we know for certain  
10 they ran into a lot of issues with historical  
11 representatives about some of their plans, but I think  
12 most of that's been cleared up. Like other projects on  
13 Broadway, Nate has a parking challenge. We're going to  
14 talk about that today.  
15 So, Nate, if you would reintroduce yourself to  
16 people that don't know you and kind of give us an update  
17 on the project, and then let's talk about parking.  
18 **MR. ARES:** Yeah, hi. Thanks again. Nathan  
19 Ares representing a couple of the partners over there with  
20 Katie Watanabe and Derrick Holder over there at the La  
21 Buhardilla block.  
22 I promise you this will be the last change of  
23 what this is. We are excited to start construction real  
24 soon. We're going to the HOA meeting -- our scheduled HOA  
25 meeting and we are then breaking ground after that's

1 completed and super excited.  
2 We're still doing the large portion of the  
3 building as -- a lot of people kind of call it  
4 entertainment, but instead of doing the bowling with golf  
5 simulators, we're doing all golf simulators. It's going  
6 to be called Broadmoor Sporting Club. Really excited  
7 about this. It's going to be, you know, the neighborhood  
8 sports bar. It looks like you walk into a country club  
9 when you walk into where all the golf simulators are,  
10 really excited.  
11 **CHAIRMAN McCUSKER:** Do you have a PowerPoint?  
12 Are we going to look at something?  
13 **MR. ARES:** I have --  
14 **CHAIRMAN McCUSKER:** Do you have any renderings  
15 of the new space or do we have anything that we can show?  
16 **MR. ARES:** Yeah. Brandi, I only have the  
17 outside rendering of the parking since we were talking  
18 about that and also the logo.  
19 **CHAIRMAN McCUSKER:** Go ahead. Go with what  
20 you've got, Nate. I think we've seen the renderings over  
21 time, but I think you're also going to show the site for  
22 people that are trying to figure out exactly where you  
23 are.  
24 **MR. ARES:** Yeah.  
25 Ms. Brandi, do you have my email that I sent

1 you?  
2 **CHAIRMAN McCUSKER:** You probably have it. You  
3 have screen sharing. If you want to pull it up --  
4 There you go. Go ahead.  
5 **MR. HAGA-BLACKMAN:** Nate, is this the one?  
6 **MR. ARES:** Yeah.  
7 **MR. HAGA-BLACKMAN:** Just tell me when.  
8 **MR. ARES:** Yeah. So Broadmoor Sporting Club,  
9 we are going to -- you know, after really reviewing what's  
10 been going on in the nation, what the trends are in the  
11 industry, I tweaked the concept from a Stravenue Social to  
12 this Broadmoor Sporting Club. I just felt like it hasn't  
13 been done this route. There's a lot of places around the  
14 nation that are doing indoor golf simulator country clubs,  
15 I guess you can say, where they charge memberships and you  
16 can come in and you can go golf anywhere in the world, you  
17 know, in two hours while you're having lunch with your  
18 friends, or you can even watch the Super Bowl on this  
19 beautiful projector while you're golfing.  
20 And so I wanted to take that model and  
21 implement it into a fun, inviting environment that  
22 families can come to that's -- you know, say I want to  
23 have a meeting with the Rio Nuevo board and, you know, we  
24 can -- instead of going out into the 100 degree weather,  
25 we can go, you know, to this golf simulator.

1 And the golf simulators we're doing are these  
2 full surrounding simulators, so really high tech. You  
3 even putt the ball into, you know, the designated hole on  
4 the screen. It's really cool.  
5 But to make it more family friendly, you know,  
6 so it's not just golf only, you can play skee-ball with  
7 your kids on the simulator, you can play, you know, soccer  
8 where you try to kick a ball past the goalie, so it's  
9 going to be really exciting to do this concept.  
10 I didn't change the layout of our -- of our  
11 plans and it didn't change, you know, the timeline of our  
12 project, it just -- you know, I really thought doing this  
13 as opposed to, you know, the bowling -- with the bowling  
14 lanes industry right now, there are so many, you know,  
15 bigger names coming to town and also to get the equipment  
16 was a lot harder than expected, the electrical coming into  
17 the building, so, you know, this adjustment was based off  
18 of many things.  
19 Actually, Brandi, you can go to the next page.  
20 This is actually -- so we're doing it almost  
21 identical to what Sol Block is doing, so we want everyone  
22 to enter off of Broadway and then get trapped into our  
23 atmosphere and enter from almost the back of the buildings  
24 or the entrance to our buildings.  
25 So this is just a view from one of the parking

1 lots going towards our building, so it's -- we actually  
2 did the same exact thing as Sol Block, so in the front  
3 Broadway facing, we will actually have patios, so you'll  
4 see, you know, lively, active activation on the front  
5 side, but this is the backside looking in to where you  
6 would enter into the restaurants or the shops.  
7 Brandi, if you go to the next slide, it shows  
8 the overview of the parking.  
9 So I have two things blocked off here. The red  
10 block at the top right of the screen in the little photo  
11 up there, that shows what we were awarded during the Rio  
12 Nuevo. And you see the green -- like the greenish-blue  
13 block, that is our neighbor's parking lot right next to  
14 us.  
15 Our thought process was, is we were expecting  
16 to do 4,500 guest covers, you know, a month. And that's  
17 not even counting, you know, with our neighbor's looking  
18 to revitalize their buildings and bring in -- we're going  
19 to help them bring in some really fun tenants to really  
20 mix along with us. We really want to create something  
21 really cool on this whole block.  
22 So our -- our hope here is to have Rio Nuevo  
23 assist us with our neighbor's parking lots and bring them  
24 into our parking scale, do an agreement with them that we  
25 can all cross utilize the parking. And we would love to

1 activate that whole backside, even the alley going out to  
2 Tucson Boulevard.  
3 Brandi, if you go to the --  
4 And also at the bottom left, if you see that  
5 blue --  
6 Go up one slide. I'm sorry.  
7 That blue block that is shown in the larger  
8 photo, that's actually -- I was just highlighting that  
9 because originally when we got the Rio Nuevo bid, if you  
10 guys remember, the zoning map was wrong and that showed  
11 that that was like part of our project, but it wasn't. It  
12 was actually owned by our neighbor. So that blue block  
13 that I show there is actually not part of our parking. So  
14 after that was taken out of our equation, our parking  
15 significantly dropped, which is why we're looking to, you  
16 know, partner with the neighbors to expand our parking.  
17 We're really worried about how many covers we're going to  
18 be bringing in and also some of the --  
19 You know, being in the restaurant world my  
20 whole life, some of the restaurant groups that we are  
21 talking to to neighbor us are really, really big names and  
22 we're super excited to have them as neighbors.  
23 So we're just more worried about, you know, if  
24 it's -- it's always good to have, you know, a way -- a  
25 bustling place, but if it's too much of a hassle to get

1 out of your car and get into the location, we're worried  
2 that they're going to go somewhere else.  
3 **CHAIRMAN MCcUSKER:** Is that, Inglis Florists  
4 immediately east of you?  
5 **MR. ARES:** Yes, it is. Yeah. And we're  
6 currently working with Mike to, you know, bring in some  
7 tenants. We would like to help him bring in some retail  
8 tenants. We definitely don't want to do some more  
9 restaurants because our whole block is going to be  
10 restaurants, right? So we're going to assist with trying  
11 to bring in some really fun, you know, salons, small  
12 retail, because he's got a beautiful building with a  
13 beautiful awning over top and we're going to, you know,  
14 hopefully, you know, lead him down the right direction of  
15 turning our whole -- you know, we're partners in this, so  
16 we want to turn this whole block into something special.  
17 So looking at -- looking at this, the objective  
18 of this was, you know, we're going to -- when construction  
19 starts, we move fast because we already have hired the  
20 managers here. We have -- we are sitting on a lot of team  
21 members, so we are excited to get this going and open. We  
22 have already ordered the equipment. Our hood is already  
23 reserved. So a lot of the things that you usually have to  
24 wait for with restaurant construction has already been  
25 done for us. We are going to do an SMD package in HOA

1 meeting and we're off to the races.  
2 So with that being said, when I stated on here  
3 the location projected to generate over 6 million in  
4 annual revenue, that is just our concept alone. So if we  
5 do bring in some of the concepts that we are talking with  
6 next door, we're afraid that, you know, with just our  
7 4,500 covers, you know, monthly that the neighbors could  
8 potentially bring in another 15 to 2,000 covers. So that  
9 was our biggest worry with everything happening at this  
10 location.  
11 And the last page here is actually just a  
12 breakdown --  
13 Actually go to one more, the next page. That's  
14 the request, but this is a breakdown.  
15 So we partnered up with Axios Builders, who's  
16 doing all our construction. We actually have a -- you  
17 know, clearly on this I didn't put the detailed breakdown  
18 of an Excel sheet because you wouldn't be able to read it.  
19 We're hoping, you know, to even just get 50 percent of the  
20 cost for the scope of work and we will take care of the  
21 other 50 percent. The total that came back from them was  
22 485.  
23 And that brings us --  
24 **CHAIRMAN MCcUSKER:** I'm assuming you're leasing  
25 this lot; right? Is that lease now finalized?

1       **MR. ARES:** Yes. Yeah. So we actually -- I was  
2 hoping to have it in hand before we came to the meeting  
3 today, but we've had great talks. Nothing got pushed back  
4 on the lease that we handed over. So I don't want to talk  
5 out of place -- talk out of place for our neighbors, but  
6 it looks like it is a -- it's going to, you know, go that  
7 direction. And they're very excited for us to kind of  
8 assist with, you know, getting their buildings revitalized  
9 and assisting them with -- you know, with the, you know,  
10 getting their buildings --

11       **MR. SHEAFE:** Are you leasing all of it or what  
12 happens if they bring in tenants and they're using a good  
13 portion of the lot? Are you going to be compensated for  
14 letting your spaces be used by them as you're paying them  
15 to use their spaces?

16       **MR. ARES:** That's a great question, but, you  
17 know, to be honest, we're going to be the parking hog. We  
18 know that. That's why we're going to try to really focus  
19 on retail -- like small retail next door to us, because we  
20 are going to fill that parking lot.

21       Everywhere we -- I'm not saying everywhere we  
22 go, but we definitely are the parking lot hogs in most of  
23 the locations we go to, so we didn't really push back on  
24 anything like that, because we really feel like, you know,  
25 we're going to be the anchor to this whole center. I

1 mean, we're doing 14,000 square feet at this location of  
2 concept.

3       **MR. SHEAFE:** Is that going to be -- does your  
4 Broadmoor golf take up your entire space so Stravenue is  
5 really moved over to just Broadmoor now?

6       **MR. ARES:** Yeah. So Stravenue is -- Broadmoor  
7 is exactly where Stravenue is. And then we have that  
8 small building nextdoor to us that's about 5,600 feet and  
9 we're in talks with a couple of local vendors to come in  
10 there with us.

11       **MR. SHEAFE:** And that would be something  
12 separate from Broadmoor?

13       **MR. ARES:** Exactly. Yeah, Broadmoor is 14,000  
14 square feet on its own.

15       **MR. SHEAFE:** You opened it up and -- okay.

16       **MR. ARES:** Yeah.

17       **CHAIRMAN MCcUSKER:** Okay. So as I understand  
18 the ask, you've got \$485,000 going into an adjacent  
19 parking lot, you're looking for basically half that. I  
20 think you've come down from this slide based on what you  
21 just said.

22       **MR. ARES:** Yeah.

23       **CHAIRMAN MCcUSKER:** What's the term of the  
24 lease, Nate? Is this a long term?

25       **MR. ARES:** Yeah, 20 years.

1       **CHAIRMAN MCcUSKER:** Any questions for Nate?

2       **MR. MARQUEZ:** So we do 50 percent, so you're  
3 talking like 240?

4       **MR. ARES:** Yeah. Originally I -- you know, I  
5 thought it was going more than that, but we just got the  
6 bid in. You know, we pushed really hard to get the bid in  
7 before this meeting, so that's why the slide said 300.  
8 But I was estimating off of, you know, kind of a  
9 guesstimate, but we got the asphalt guy over there to do  
10 the measurements and got the bid in. So yeah, 50 percent  
11 of the 480.

12       **MR. SHEAFE:** Two questions. What is the status  
13 of your partnership? Who are your partners now and is  
14 that fixed?

15       And the second question is, what is the status  
16 of your financing and the capital available to complete  
17 this project?

18       So question one, partners, question two,  
19 financial strength.

20       **MR. ARES:** Yeah. So my partners are Derrick  
21 Holder and Kay Watanabe and they've been the partners from  
22 day one. If you remember, we had a little bit of a road  
23 bump with everything that occurred with, you know, the  
24 Local UFC 99 and all that stuff with my company, so  
25 originally I just kind of slowed everything down with what

1 was going on. But we recently settled that, so -- and  
2 financially, you know, I'm lucky to have such great  
3 partners, who are also investors of mine in my other  
4 concepts, and, you know, they -- they -- they are  
5 financially capable to push this thing forward just on  
6 their own, but they've already got -- we've already got in  
7 front of a bank with the help of Derrick Holder, the  
8 partner, and we are ready to, you know, start going. I  
9 mean, we've already demoed inside.

10       **MR. SHEAFE:** So you have the equity capital and  
11 you have written structure that everybody signed on to --

12       **MR. ARES:** Oh, yeah, yeah.

13       **MS. COX:** That solves your partnership issues?

14       **MR. ARES:** Oh, yes.

15       **MR. SHEAFE:** Okay. The reason I ask is we'll  
16 make a stab here at a motion, because what I see happening  
17 here is you need to get a placeholder with our position so  
18 that you can get everything else put together and finalize  
19 your deal. And, of course, we need a lot more information  
20 to actually be specific in what our commitment is so we  
21 can do a structure here where we give you a placeholder  
22 that has a lot of conditions associated with it so that  
23 you know you need to meet those conditions in order to  
24 actually get the candy.

25       **MR. ARES:** Yes.

1 **MS. VILICANA:** So let me ask a couple of  
2 questions of Nate.

3 Just to get timelines, so say we moved forward.  
4 You know, we'll talk about the structure of the deal.  
5 When will you, A, break ground and, B, see occupancy?

6 **MR. ARES:** So we are planning on breaking the  
7 moment the HOA -- I actually emailed Lisa Bowers right  
8 before this meeting. Right when the HOA meeting is  
9 scheduled and we get the final stamp, we -- the only thing  
10 we have to do is move one wall. Cutout wasn't put into  
11 the plan, so we have to go do an adjustment on that, but  
12 that's not resubmitting. That's just drawing a blank on  
13 the term --

14 **MS. VILICANA:** Like a variance, yeah.

15 **MR. ARES:** Exactly. Thank you. Yes.

16 A couple of the walls that were enclosed were  
17 more load bearing than I thought. We'd have to  
18 restructure the whole roof, so clearly to fit two  
19 shuffleboard tables in there -- an extra 500 grand to fit  
20 two shuffleboard tables didn't make sense. So we got to  
21 get that adjusted on the variance, and then the cutout --  
22 I wanted grander windows facing the Country Club golf  
23 simulator room, so we've got to get that added at the same  
24 time. After that, off to the races. We have a deadline  
25 where we have to start construction before December no

1 matter what, well, by the end of December, and I plan on  
2 starting -- I would like to start it by the end of  
3 October.

4 **MS. VILICANA:** Okay. And then also I  
5 appreciate, Nate, you reminding us about the original  
6 acquisition having the parking lot part of the -- you  
7 know, as far as you saw from -- I don't know if it was  
8 like a drawing or what happened, so that's good for us to  
9 know and I think the public to know as well. So you've  
10 been working through that dilemma and it gives us more  
11 context, so looking forward to hearing more. Thank you.

12 **MR. ARES:** Well, I appreciate that. Yeah, this  
13 project has been really eye opening. It's been fun. You  
14 know, with historic coming back on the buildings, you  
15 know, this has been a little bit longer than I would have  
16 liked, especially since, you know, we thought we wanted to  
17 come out and do grand and exciting and, you know, we were  
18 excited to partner with Rio Nuevo and I really wanted to  
19 make a splash with Rio and, you know, historic came back  
20 and said absolutely not. We want to see the buildings as  
21 is with a little bit of pizzazz. So then I really -- you  
22 know, after some help with Fletcher and Edmund, I got to  
23 give them a shout out, because they got me my big sign  
24 that says Welcome, you know, Sunshine Mile, you know,  
25 Welcome. And that took four months alone just to even get

1 the sign. I was like I can't just do something that  
2 doesn't have a little bit of thought there, you know. So  
3 I'm excited to finally get to the finish line and get this  
4 thing going.

5 **MS. VILICANA:** And then opening day, what are  
6 you tracking there as a contractor?

7 **MR. ARES:** Yeah, you know, the nice part is I'm  
8 the operator and the -- I'm the TI money and the operator,  
9 so it's all going to get done at the same time, so I  
10 would -- in a perfect world, I would say within -- I would  
11 like to -- gosh, I would love to be open by March Madness,  
12 but that's kind of pushing it. That would be a fun  
13 weekend, you know, to kind of launch this thing, but we'll  
14 definitely be open by the end of season.

15 **MS. VILICANA:** Okay. Thank you.

16 **MR. MARQUEZ:** I have a question. You mentioned  
17 HOA. I haven't heard HOA before. You have an upcoming  
18 HOA meeting. What's that hurdle? Could that delay you  
19 past December?

20 **MR. ARES:** No. So it's -- we've already done  
21 an HOA meeting, but since -- we just have to reschedule it  
22 to resubmit the SMD package. This is all based off of  
23 Lisa Bowers and then that work very closely with the city  
24 doing Rio Nuevo projects.

25 I'm actually pulling up my email right now to

1 see if she even responded yet, but no.

2 So let's see. She's -- it shouldn't delay  
3 anything really. We have to go to the HOA and make sure  
4 there's no issues, but last time we did it with the  
5 Stravenue, they loved it. They were excited that the  
6 neighborhood was going to get something exciting where,  
7 you know, there's usually not excitement back there. It's  
8 a dark alley that a lot of people hang out in and they  
9 don't love hanging out in, so yeah, it shouldn't be an  
10 issue.

11 **MR. MARQUEZ:** I would think --

12 **MR. POSTER:** This is Corky following up on  
13 Edmund's. Is this neighborhood meeting -- HOA is not a  
14 term I usually use, but the neighborhood meeting, is that  
15 part of the requirements of the Sunshine Mile overlay?

16 **MR. ARES:** Yes.

17 **MR. POSTER:** Okay. Got it. Okay.

18 **MR. ARES:** I said HOA, but yeah, the  
19 neighborhood meeting.

20 **MR. POSTER:** Thank you.

21 **MR. ARES:** Yeah.

22 **MS. VILICANA:** So if you sign a lease with  
23 this parking lot dilemma going on -- I just want to get  
24 some clarification. You sign a lease, it's a 20-year  
25 lease and Rio Nuevo comes in with let's just say



1 50 percent, we're going to consider some claw-backs in  
2 this and you're going to hear more about that as we move  
3 to motion. Be prepared to see some of that being  
4 requested on both sides, meaning when you start the  
5 project as to when it ends so that we protect -- what  
6 we're to accomplish is, you know, investing in you,  
7 investing in the timelines and making sure that you guys  
8 stick with those, so you're going to hear again from the  
9 proposal going forward that we're going to be doing a  
10 little bit different from probably what you were thinking  
11 initially. I just want to make sure you're ready for that  
12 thought process with negotiation on the lease, too.  
13 **MR. LEVIN:** Just real quick, on a 20-year  
14 lease, and I'm sure our attorneys will see this when it  
15 comes across their desk, are there any provisions for  
16 early outs on that 20-year lease?  
17 **MR. ARES:** No.  
18 **MR. LEVIN:** Thank you.  
19 **MR. ARES:** I believe Rothschild will send  
20 over -- as long as -- you know, Rothschild -- Jonathan  
21 Rothschild is helping us, so I believe he will be sending,  
22 you know, over to, you know, Mr. Medcoff just as review,  
23 which we've done in the past, just to make sure, you know  
24 everything's in line, you know, I'm not speaking out of  
25 line on the contract.

1 **CHAIRMAN MCcUSKER:** So we've teased Nate with  
2 some milestones which we really haven't used in the past.  
3 I think what we're getting at, Nate, is we're  
4 going to advance this money subject to you doing something  
5 by a certain date. And we can negotiate this live in  
6 front of God and everybody or we can get a broader motion  
7 that says you will agree with our executive officers and  
8 attorneys on these deadlines and, you know, what that  
9 means for how we advance these funds.  
10 So we'll let any one of our members ultimately  
11 make that motion, but that's kind of where we're going, is  
12 we want to see that project activated. We're willing to  
13 do some more to help you, but we want to see some  
14 Caterpillar tractors over there.  
15 **MR. SHEAFE:** Let me take a stab at this then.  
16 I would like to make a motion that has as its goal to meet  
17 the qualifying factors that we be no more than 50 percent  
18 and that our money be last in and that in the payment of  
19 our money, it meets all of the normal standard  
20 qualifications that we apply to every benefits agreement  
21 that we put together.  
22 **CHAIRMAN MCcUSKER:** Hold on. This is a  
23 discussion item only. This entire session is discussing  
24 items only, so we're got to going to --  
25 **MR. SHEAFE:** I'm structuring how the motion

1 would work.  
2 **CHAIRMAN MCcUSKER:** Yeah. I think we can talk  
3 about what we ultimately might move.  
4 **MR. SHEAFE:** Okay.  
5 **CHAIRMAN MCcUSKER:** We can't accept a motion  
6 today, so --  
7 **MR. SHEAFE:** Yeah.  
8 **CHAIRMAN MCcUSKER:** That does give us some  
9 time, two weeks, to, you know, ferret this out with Nate  
10 on what it might look like, and then we'll take action on  
11 it in the next meeting.  
12 **MR. SHEAFE:** All right. So I don't have to go  
13 into any more detail, but I was going to cover the fact  
14 that --  
15 **CHAIRMAN MCcUSKER:** Well, I think if you want  
16 to discuss your parameters, we're just not taking any  
17 action.  
18 **MR. SHEAFE:** That's fine. We want to make sure  
19 that the neighborhood meeting is successful and qualified,  
20 we want to make sure that the relationship with the  
21 partners are documented in a secure way subject to  
22 counsel's review, we want to make sure that the financial  
23 position of the overall project is in a secure position,  
24 we want to make sure about the timing so that it meets the  
25 timing requirements that we're going to put in, and we

1 want to make sure that our money is structured in a way  
2 that it comes in last after the other money is in there in  
3 a secure position.  
4 And I guess the last thing that I'll ask is  
5 since there are a lot of moving parts here that the actual  
6 motion authorize the executive officers to put this all  
7 into a legal and binding context so that we get assurance  
8 that what we're agreeing to is built around those safety  
9 features and that the motion would recognize that the cap  
10 is about 300,000 subject to every other limitation that we  
11 normally structure in.  
12 **CHAIRMAN MCcUSKER:** What's half again, Nate,  
13 245?  
14 **MR. ARES:** 240.  
15 **MR. SHEAFE:** That's where I started out with  
16 the idea that our goal is to meet those original  
17 parameters of no more than 50 percent and last in.  
18 **CHAIRMAN MCcUSKER:** Nate, thank you for the  
19 work you're doing. We're going to noodle on this. We'll  
20 probably talk to you between now and the next meeting and  
21 we'll try and take action on this in two weeks.  
22 **MR. ARES:** Okay. Perfect. I appreciate the  
23 time and I appreciate everything.  
24 **MR. SHEAFE:** Thank you, Nate. We really wish  
25 you well on this. And, frankly, we're very excited to

1 have that whole little piece come alive.  
2 **MR. ARES:** You'll start seeing some  
3 Caterpillar -- you know, Caterpillars out there moving  
4 dirt soon, so --  
5 **CHAIRMAN MCcUSKER:** Thanks again.  
6 Okay. Leslie, I'd like to introduce our;  
7 friends from Cornish Pasty, a very exciting project for  
8 downtown. I think your team is online. I see Andy and  
9 Dean.  
10 So just a quick reminder to attendees and our  
11 board, we've been working on the Indian Trading Post  
12 property for a couple of years. We awarded that property  
13 to Zach Fenton and his partners to renovate. We think we  
14 got really lucky when Zach announced that the incoming  
15 tenant for that property is Cornish Pasty. They have  
16 eight locations now, Leslie, right, mostly in Phoenix and  
17 two in Vegas, one in Flagstaff, but it's a really exciting  
18 concept. It's hard to see one restaurant take up 10,000  
19 square feet, but they're doing it elsewhere and they're  
20 going to ask for a little help from us today, too.  
21 So, Leslie, I'll let you take it from here.  
22 **MS. GUFTASON:** Okay. Basically it's above and  
23 beyond what the construction costs are.  
24 Zach, are you there?  
25 **MR. FENTON:** I am.

1 **MS. GUFTASON:** Okay. Do you want to lead into  
2 this, and then I'll --  
3 **MR. FENTON:** Yeah. So just by way of  
4 background, I'll kind of echo what you heard from the last  
5 presenter. We had some issues and delays that are related  
6 to the historic nature of the building. I've worked with  
7 a number of very old buildings before, but this one has  
8 proven to be particularly challenging.  
9 We actually had a contractor, who I know quite  
10 well and who also has experience with historic buildings,  
11 he walked off the job. Felt bad about it, but he walked  
12 off the job because of how overwhelmed he felt with it, so  
13 I think that is kind of some important history.  
14 But then our deal with Cornish, who we're very,  
15 very excited to be bringing to Tucson. We had negotiated  
16 and signed a long-term lease with them that included a  
17 very generous tenant improvement package, but  
18 unfortunately because of how much the budget has ballooned  
19 even with that generous allowance and what we thought was  
20 a big buffer, we have blown through it in a big way.  
21 So that's the story why they're coming here for  
22 some help. So it's separate from the landlord. We kind  
23 of have our deal in place already with both Rio Nuevo and  
24 the tenant, but I wanted to be here to provide that  
25 explanation.

1 **CHAIRMAN MCcUSKER:** And, Zach, your  
2 dramatically over budget; night? Last time we talked to  
3 you, your --  
4 **MR. FENTON:** Yes. Yep, we are significantly  
5 over budget, I mean, to the tune of -- I'll say a million  
6 plus dollars over what we had budgeted originally, and  
7 that's the result of challenges with the building.  
8 I'll give you one example. The vaults -- there  
9 were three vaults that were existing at the time that we  
10 took over the building. We had a demolition company  
11 called RCD Demo, who has a lot of experience, and came in  
12 and did some preliminary testing and had a plan for  
13 removing those vaults.  
14 Don't hold me to this, because this was last  
15 year at this point when this process took place, but it  
16 was supposed to be maybe a week process and was supposed  
17 to be done mostly with a robot, which obviously would  
18 limit the manhours involved, but what they discovered was  
19 a very unique construction method that I and they had  
20 never seen before, which was concrete poured over thick  
21 steel railroad tracks. Kind of fascinating honestly. It  
22 was pretty cool until we found out the impact that it was  
23 going to have on the budget. So just to kind of give you,  
24 you know, a reference point, what was anticipated to be --  
25 call it a week or two of demo took in excess of four

1 months.  
2 Again, don't hold me to those exact numbers,  
3 but roughly speaking, it was to that magnitude of delay.  
4 And obviously there's a big cost that goes along with  
5 that. And that was one of kind of many surprises that  
6 popped up that really were unfortunate, because the  
7 condition we took over the building. It was pretty rough  
8 to begin with and we did not expect some of these  
9 surprises, so we did our best to navigate. But some of  
10 them such as the vault, there's really no way anyone -- a  
11 very, very unique situation that I feel confident saying  
12 that we could not have seen coming. We've got a good  
13 architect involved, we've got good engineers and everyone  
14 kind of looked at each other and said, oh, boy.  
15 **CHAIRMAN MCcUSKER:** Thank you.  
16 I think it's safe to say you're all in and all  
17 done, and we appreciate you not coming back to us.  
18 So, Leslie, take it from there. You know, you  
19 guys have a certain esthetic and a very successful brand  
20 and you have some expectations that your landlord can't  
21 necessary meet.  
22 **MS. GUFTASON:** Yeah. So first I'd like to  
23 introduce Dean Thomas. And this is really his baby.  
24 He's, you know, the founder essentially of Cornish Pasty  
25 Co., and Andy Beck and he are in a partnership with the

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1 Sonoran Augie, which is going into the Indian Trading Post  
2 and Andy will be the general manager down there.  
3 So with Zach and his company being over budget,  
4 we are then expected to come up with the remaining amount  
5 for TI improvements that state in the -- in the building,  
6 so he is well in excess of \$750,000 worth. We're asking  
7 for 375, which would be half of that, which is, you know,  
8 still like, you know, walk-in coolers, that kind of stuff  
9 that is staying there. We will still be -- there's a lot  
10 more TI that needs to go into it from our end as far as,  
11 you know, ovens and wallpaper and just all the esthetic  
12 stuff that goes into it.  
13 We're going to be -- I say we. It's actually  
14 Dean and Andy are going to be into it for well over  
15 500,000 on top of the 375, which is half of the 750, so  
16 we're --  
17 **CHAIRMAN McCUSKER:** I think we have some  
18 slides.  
19 Brandi, do we have some -- or, Leslie, do you  
20 have some slides you want to show us.  
21 **MS GUFTASON:** Yeah. I don't know how to share.  
22 **CHAIRMAN McCUSKER:** We'll pull them up.  
23 **MS. GUFTASON:** Thank you.  
24 Yeah. So I just wanted to give a better  
25 history about Dean Thomas and how Cornish Pasty Company

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1 came into existence.  
2 You know, I was asking Dean, because I didn't  
3 remember, but the first Cornish Pasty Company was in Tempe  
4 and it started in 2005, so they just had their 20-year  
5 anniversary at the party in the University site.  
6 And, by the way, it started very, very small  
7 and now -- it was like a narrow passageway, which was one  
8 suite, and it's now extended on a much larger suite on  
9 each side, so it's grown quite a bit.  
10 Go to the next one, please.  
11 Thank you.  
12 And then this is about Andy. I mean, he's very  
13 invested in the company. He's been with the company for  
14 14 years. And once he found out that he had the  
15 opportunity to be the Tucson general manager, he and his  
16 wife bought a house in Tucson. They still own their house  
17 in metro Phoenix, but they don't live in it, and so he  
18 makes the commute to Tempe every day for work, every day  
19 and back.  
20 Okay. Thank you.  
21 So the pasties are fresh made every day. It's  
22 from fresh ingredients, local ingredients as well as some  
23 that are brought in from the UK. The menu is 99 percent  
24 the same -- the food menu is 99 percent the same at all  
25 locations, so if you eat at Flagstaff and you like it and

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1 you come down to Scottsdale, you're going to be looking at  
2 the same menu.  
3 Some of the locations have a craft cocktail  
4 menu, which is just kind of a higher end specialty  
5 cocktail menu. And so it says that we're -- you know,  
6 it's cozy pub style. It is very -- very cozy. Dean  
7 always puts his own flare on each location, so although  
8 they are all similar, each one will have its own  
9 particular style.  
10 So this was just a rendering that I got from  
11 what was, I guess, the original Indian Village Trading  
12 Post property, and this is what we envision the ground  
13 floor is going to look like. Bar one, which is the  
14 basement, is going to be basically a speakeasy, then this  
15 is the main floor, and then the craft cocktail bar will be  
16 upstairs.  
17 And this is, you know, architectural  
18 renderings. We're not really sure exactly what it's going  
19 to look like until we get it from Zach.  
20 This is just, you know, a sampling of what is  
21 on the menu. There are 46 entree pasties available as  
22 well as some salads, homemade soups and bread. There are  
23 also some sweet pasties, caramel pasties, et cetera.  
24 And this is just a sample of the craft cocktail  
25 menu. This is actually one that is in use at the Phoenix

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1 location.  
2 So some of these pictures -- well, all these  
3 pictures are of Cornish, but there's -- like the top left  
4 one is from Boulder City, the bottom left is the downtown  
5 Phoenix location, the one in the middle is Mill Avenue,  
6 the upper right is Old Town Scottsdale, and the lower  
7 right is what Dean likes to call the Red Room, which is in  
8 the Tempe location.  
9 Again, the left is the frontage of the downtown  
10 Phoenix, the upper middle one is Old Town Scottsdale  
11 Patio, the left one on the middle bottom is --  
12 Dean, is that Culver City or is that Vegas?  
13 **MR. THOMAS:** I'm sorry, but I can't actually  
14 see the files that you're looking, or the slides.  
15 **MS. GUFTASON:** Okay. I'm sorry. I think  
16 that's downtown Las Vegas, the one on the --  
17 **MR. THOMAS:** Oh, okay. Now I'm looking at them  
18 finally.  
19 **MS. GUFTASON:** Okay. The one with the two  
20 chairs, is that Vegas?  
21 **MR. THOMAS:** Yeah, downtown Vegas.  
22 **MS. GUFTASON:** And then the one on the right is  
23 Boulder City, and then the far right is the pool tables  
24 at -- which is what Dean calls the beast area of Tempe.  
25 And just some of the food offerings. You know,

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1 if you'll notice, every one of the places has -- all the  
2 pictures have chandeliers in there, which Dean hand picks.  
3 They're all antique chandeliers.  
4 So here's our five-year projections. When I  
5 was going through them, I based them on the Phoenix --  
6 downtown Phoenix and downtown Mesa and the revenues that  
7 are generated from those two locations based on the size,  
8 but I really think that by 2030 or 2031 it's going to be a  
9 lot more than five or five and a half million, because  
10 Phoenix is going to do right around 6 million this year in  
11 gross revenue. So I really think that they're going to do  
12 more because the size is about the same.  
13 So based on the gross sales and the net sales,  
14 what the TPT is the going to be to, you know, Arizona,  
15 slash, Tucson, slash, Pima County is there.  
16 So we were looking at opening July of 2026.  
17 You know, it basically depends on the construction and  
18 then when we get the building, but it's quite substantial,  
19 you know, based on the gross revenue.  
20 And, like I said, I really think that 2030 is  
21 going to be more like the five and a half million and 2031  
22 is going to be closer to 6 if not more.  
23 And then this is the ask. So original -- well,  
24 the semi-new construction estimate was 3.75. When I did  
25 the presentation at that time, we were going to be

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1 responsible for about 750,000 of TI, and so we're asking  
2 for 375, which is half of that.  
3 And just, you know, to mention that we are  
4 still responsible for additional tenant impeachment  
5 equipment and whatnot, which is about 450,000 plus the  
6 other equipment and furniture.  
7 **CHAIRMAN McCUSKER:** Thank you.  
8 You can drop that, Brandi.  
9 So these tenant improvements are what we would  
10 consider hard costs? These are permanent improvements to  
11 the buildings, not FF&E kind of things?  
12 **MS. GUFTASON:** Correct. Correct. Yeah, like  
13 walk-in callers, stuff that we can't take.  
14 **MR. MARQUEZ:** So if I can jump in a little bit  
15 just for some clarify, because I met with Leslie and the  
16 guys. They're fantastic tenants. Congrats to Zach for  
17 bringing in such a juggernaut of a restaurant that can  
18 actually handle 10,000 square feet of space, which is not  
19 your typical restaurant.  
20 So one of our caveats is we had already funded  
21 Zach. I believe we went a million into the actual  
22 property, which it's a tough property. It's historic  
23 property, old property, lots of dirt, lots of old wood  
24 inside, kind of dangerous inside right now. It will be  
25 great when it's open.

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1 And also part of those dollars, another half  
2 million dollars, went into TI. You obviously went past --  
3 way past those dollars. You're a million dollars over  
4 budget, so we typically would not be excited about the  
5 tenant coming to us. In this case it's definitely worthy  
6 and open to an investment.  
7 So one of the -- one of the claw-backs, I'll  
8 use that term, that we talked about when you were with us,  
9 I asked about when should you be ready, Zach, for their TI  
10 and you said mid next year or your construction guy maybe  
11 had said mid next year.  
12 So we don't vote or make a motion today.  
13 Today's a discussion. But one of the things we talked  
14 about was, if we do this, you have a deadline of end of  
15 June to get into the TI piece with Cornish Pasty, so just  
16 to throw that out to remind everybody.  
17 **CHAIRMAN McCUSKER:** We learned today we're  
18 mispronouncing it. We've Americanized it, Dean. Sorry.  
19 **MR. THOMAS:** I'm let it slide.  
20 **MR. MARQUEZ:** Pasty?.  
21 **MR. THOMAS:** Pasty, yeah.  
22 **CHAIRMAN McCUSKER:** We do have Dean's voice on  
23 the recording now, so you've got a brilliant accent.  
24 Anything you want to say about you or the  
25 project or your passion for this building? I know a lot

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1 of why we're so excited is your excitement and, you know,  
2 share some of that with us.  
3 **MR. THOMAS:** Yeah. Well, thank you. It's very  
4 familiar for us with like finding a building that we love  
5 and then realizing that it's going to cost a lot more  
6 money to get it renovated than we wished.  
7 We have the building in Phoenix, which you're  
8 seeing some pictures of. That actually took us five years  
9 of running out of money, getting back to the project and  
10 it took five years to open it.  
11 It's paying off, it's been worthwhile, but it  
12 is a case of -- yeah, we -- we find buildings that have a  
13 lot of character and charm. We want to try and bring that  
14 back into, you know, the building and bring it back up to  
15 it's former glory and, you know, maybe add a few touches  
16 here and there. But basically we just fall in love with  
17 the building, which is the case with the Tucson building  
18 again.  
19 But we've been doing this for 20 years. We try  
20 to do it as an employee-owned type of venture where Andy  
21 worked for us for 15 years now. He started as a dish guy,  
22 worked his way out of the dish into the general kitchen  
23 and now he's the general manager of our Mesa store, and  
24 now he's in the Tempe store.  
25 I have a habit of trying to move him around

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<p>1 because he's one of our best managers. I don't want to 2 say too much, but he's probably our best manager. And 3 he's ironed out a lot of problems and if there's an issue 4 with a store, I kind of lean on him to come in and help 5 fix some problems. So he's a very good employee and I'm 6 sure he's going to make a great business partner as well. 7 <b>CHAIRMAN McCUSKER:</b> Thank you for that. 8 We'll have an action item two weeks from now. 9 This is a very reasonable request in my opinion. This 10 building, I think Zach said it early on, it probably 11 should have been torn down. Saving it is heroic. And to 12 have you guys in there with your passion not only for 13 buildings but for food and beverage will be great for 14 Tucson. 15 So we'll make this an action item in two weeks. 16 If we have any questions in the meantime, Leslie, we'll 17 reach out. 18 <b>MS. VILICANA:</b> And bravo on the menu, too, 19 that's a spectacular menu. Looking forward to seeing that 20 come to fruition, exciting. 21 <b>MR. THOMAS:</b> Oh, thank you. Yeah, we make 22 everything -- aside from the ketchup and the mayonnaise, 23 we make everything in house. 24 <b>MS. VILICANA:</b> Awesome. Can't wait. 25 <b>CHAIRMAN McCUSKER:</b> Okay. Thank you,</p>	<p>1 adjourned. 2 (3:25 p.m.) 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25</p>
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<p>1 everybody. 2 I will mention to our other members, if you're 3 in the neighborhood, that building's usually open. It's 4 off in a hardhat area, but you might just text or email 5 Zach if you want to go by and take a look for yourself. 6 But it's extraordinary in a word to say what they're doing 7 to that property. We'll all be proud when that opens the 8 end of June next year. 9 Thank you, everybody. 10 <b>MS. GUFTASON:</b> Thank you. 11 <b>MR. THOMAS:</b> Thank you. 12 <b>CHAIRMAN McCUSKER:</b> Future agenda items is the 13 only thing left on today's agenda. Anybody want anything 14 coming up in two weeks? 15 If you don't know now, just send me an email 16 and we'll see everybody in two weeks to take action on all 17 of these items. 18 I need a motion to adjourn. 19 <b>MR. MARQUEZ:</b> So moved. 20 <b>MS. VILICANA:</b> Second, Taunya. 21 <b>THE WITNESS:</b> That was Edmund and Taunya, Tom. 22 Thank you very much. All in favor say aye. 23 (Motion made, seconded and passed unanimously). 24 <b>CHAIRMAN McCUSKER:</b> Thank you for all your 25 work. We'll see you guys in two weeks. Meeting</p>	