

**AGREEMENT TO PROVIDE ECONOMIC BENEFITS
3855 EAST BROADWAY BOULEVARD**

This Economic Benefit Agreement (this “**Agreement**”) is effective as of the date set forth on the signature page hereof (“**Effective Date**”) between **San Clemente, LLC**, an Arizona limited liability company (“**San Clemente**”), and **Rio Nuevo Multipurpose Facilities District**, a special taxing district of the State of Arizona (the “**District**”). San Clemente and the District are sometimes referred to in this Agreement, collectively, as the “**Parties**” or, individually, as a “**Party**.”

RECITALS

- A. The District is a Tax Increment Finance District (“**TIF**”), which is funded in part through a share of the Transaction Privilege Taxes (“**TPT**”) collected by the Arizona Department of Revenue (“**AZDOR**”) from retail sales within the District’s boundaries. To receive such funds, the District relies on the proper reporting of TPT by merchants within the District, as further set forth in Section 3(c) herein.
- B. San Clemente, in its capacity as landlord, has a commercial lease agreement (“**Lease**”) with Desert Bakehouse LLC, an Arizona limited liability company, dba Café Francais, (“**Tenant**”). San Clemente owns the real property and building located at 3855 East Broadway Boulevard, Tucson, Arizona 85716 (such real property and improvements thereon, the “**Premises**”), Pima County Assessor parcel number 1125-17-039A, which is legally described and depicted in Exhibit A-1 and Exhibit A-2, attached hereto. The Premises is comprised of land and improvements including, without limit, the approximately 485 square feet of rental space leased by Tenant pursuant to the Lease (among other improvements).
- C. San Clemente originally intended to invest Two Hundred Five Thousand Eight Hundred Seventy and No/100 Dollars (\$205,870.00). After the public meeting, San Clemente switched contractors, resulting in lower costs, and will invest at least One Hundred Ninety Three Thousand Two Hundred and Three and 48/100 Dollars (\$193,203.48) into the Premises to renovate and remodel the Premises including, but not limited to, demolition, framing, electrical, plumbing, painting, carpentry, tile and flooring, as described and depicted in Exhibit B (the construction proposal, architectural drawings, and renderings— all of which must be produced and must be consistent with the presentation made by San Clemente at the District’s April 22, 2025 board meeting—collectively, the “**Construction Proposal**”) to create a second store front featuring a French bakery, selling local French baked goods, and providing outdoor patio seating (collectively, the “**Project**”).
- D. After the Project’s completion, San Clemente anticipates that the Premises will immediately generate substantial revenue that will produce TPT revenues for the District.
- E. At the Rio Nuevo District’s public meeting on April 22, 2025, San Clemente requested the District’s financial assistance to complete construction, remodeling, and repurposing of the above-referenced areas in the Premises. San Clemente’s goal is to complete development and commence its expanded operations by July 31, 2025.

- F. The District’s board members (the “**Board Members**”) have determined that the remodeling, repurposing, and development of the above-referenced areas in the Premises, and the District’s support of the Project in the Premises will generate substantial taxable revenue, appreciably increase employment opportunities, and will therefore benefit downtown Tucson, the Convention Center, and the District, in general.
- G. During the public meeting on April 22, 2025, the District approved—subject to other language and restrictions herein—a cost-reimbursement grant up to, **but not to exceed**, One Hundred Two Thousand Nine Hundred Thirty Five and No/100 Dollars (\$102,935.00) to San Clemente for the purpose of reimbursing San Clemente for as-completed hard construction draw costs (*i.e.*, costs other than architectural/design work, legal fees, permits, and furniture, fixtures, or equipment) and/or other improvements to the Project in compliance with the Construction Proposal. Due to the contractor switch, San Clemente is eligible for a cost-reimbursement grant up to, **but not to exceed**, Ninety Six Thousand Six Hundred One and 74/100 Dollars (\$96,601.74) (the “**Economic Incentive**”).
- H. The Parties agree that the purpose of this Agreement is to detail the terms and conditions of the Economic Incentive that the District has agreed to provide San Clemente to assist with completing the Project in the Premises, and to generally describe the terms and conditions that the Parties will incorporate into their relationship thereafter with respect to the Project.

AGREEMENT

THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are acknowledged, and in consideration of the mutual covenants, promises, and agreements herein, the Parties agree as follows:

- 1. Recitals.** The Parties hereto acknowledge the accuracy of the Recitals and understand that each Party is relying on the truth of the other Party’s representations in the Recitals to support the Economic Incentive herein, which are incorporated herein by this reference.
- 2. Definitions.** Each term defined in the Recitals and preamble of this Agreement has its assigned meanings, and each of the following terms, unless a different meaning clearly appears from the context, has the meaning assigned to it below:

“**Affiliate**” as applied to any person, means any person directly or indirectly controlling, controlled by, or under common control with, that person or a blood relative or spouse of such person, if such person is a natural person. For the purposes of this definition: (i) “**control**” (including, with correlative meaning, the terms “**controlling**,” “**controlled by**,” and “**under common control**”), as applied to any person, means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of that person, whether through the ownership of voting securities, by contract, or otherwise; and (ii) “**person**” means and includes natural persons, corporations, limited partnerships, general partnerships, joint stock companies, joint venture associations, limited liability companies, limited liability partnerships, trusts, land trusts, business trusts, or other organizations, whether or not legal entities.

“**Applicable Laws**” means the federal, state, county, and local laws (statutory and common law), ordinances, rules, regulations, permit requirements, and other requirements and official policies of the City which apply to the development of the Premises from time to time.

“**Architect**” means the architect engaged by San Clemente to complete the formal plans and specifications for the Project as detailed in the Construction Proposal.

“**AZDOR**” has the meaning given in Recital A hereof.

“**Board Members**” has the meaning given in Recital F hereof.

“**City**” means the City of Tucson, Arizona.

“**Construction Proposal**” has the meaning given in Recital C hereof.

“**Contractor**” means San Clemente’s general contractor engaged for completion of the Project, at all times in accordance with the accepted Construction Proposal.

“**Convention Center**” means the Tucson Convention Center, constituting the primary component of the District as that term is defined in A.R.S. § 48-4201.

“**Cure Period**” has the meaning assigned in Section 6(a) hereof.

“**Default**” means a default by a Party of any term, condition, obligation, warranty, representation, or covenant of this Agreement that: (i) is not reasonably capable of being cured, or (ii) otherwise remains uncured after the applicable Cure Period.

“**District**” means Rio Nuevo Multipurpose Facilities District, a special taxing district of the State of Arizona.

“**Draw Notice**” has the meaning assigned in Section 5(c)(i) hereof.

“**Economic Incentive**” has the meaning assigned in the Recitals of this Agreement but subject to other language and restrictions herein.

“**Effective Date**” has the meaning set forth in the preamble of this Agreement.

“**Enforced Delay**” has the meaning assigned in Section 8(a) hereof.

“**Improvements**” means San Clemente’s planned improvements to the Premises, in compliance with the descriptions, plans, and other information in the Construction Proposal.

“**Lease**” has the meaning given in Recital B hereof.

“**Minimum Requirements**” means certain continuing obligations and requirements of San Clemente and Tenant, applicable at all times during the Term of this Agreement and as specifically set forth in Section 3(a) of this Agreement.

“**Notice**” means any objection, approval, disapproval, demand, document, or other notice permitted or required under this Agreement.

“**Order**” means the order, judgment, action, or determination of any court, administrative agency, governmental authority, or other governmental body.

“**Permitted Assignee**” has the meaning given in Section 9(m) hereof.

“**Premises**” has the meaning given in Recital B hereof.

“**Project**” has the meaning given in Recital C hereof.

“**San Clemente**” means San Clemente, LLC, an Arizona limited liability company.

“**Tenant**” has the meaning given in Recital B hereof.

“**Term**” means the term of this Agreement, beginning upon the Effective Date and terminating in accordance with Section 9(n) hereof.

“**Third Party**” means any person or entity other than a Party or an Affiliate of a Party.

“**TIF**” has the meaning given in Recital A hereof.

“**TPT**” has the meaning given in Recital A hereof.

“**TPT Forms**” has the meaning given in Section 3(c) hereof.

3. Recipient’s Minimum Requirements. To be eligible for the Economic Incentive provided by the District, San Clemente, and where applicable, the Tenant, must, at all times, satisfy the following Minimum Requirements:

(a) **Timing of Improvements.** The Improvements to the Premises and Project contemplated by this Agreement must be completed by San Clemente no later than July 31, 2025, and a Certificate of Occupancy issued, no later than September 30, 2025.

(b) **Insurance.** In addition to any insurance required under the Lease, San Clemente must, at its sole cost and expense, procure and maintain the following:

(i) Property Insurance in the form of Causes of Loss Special Form (formerly “all-risk”) covering the existing and newly constructed improvements and betterments on the Premises, written at full replacement cost value, and including a replacement cost endorsement, for the full duration of the Lease term;

(ii) Builder’s Risk Insurance covering all improvements under construction as contemplated by this Agreement in the full amount of the construction costs; and

(iii) Require all contractors and subcontractors engaged in the construction to maintain insurance coverage customary for similar commercial construction projects and reasonably acceptable to the District.

In addition, San Clemente and/or Tenant must maintain the commercial general liability and business operations insurance required under the Lease. All insurance policies described above must (i) name the District as an additional insured, (ii) include an endorsement waiving subrogation in favor of the District, and (iii) be issued by insurers authorized to do business in the State of Arizona and having an A.M. Best rating of at least A-VIII. Upon execution of this Agreement, San Clemente must provide the District with certificates of insurance evidencing compliance with the foregoing, along with copies of applicable endorsements..

(c) **Tax Reporting.** San Clemente and/or Tenant must file with the AZDOR a Form TPT-EZ on a monthly basis, and a Form TPT-1 on an annual basis (collectively, the “**TPT Forms**”), until the latter of: (a) the District sunsets (i.e., is no longer authorized to accept TPT or operate); or (b) Tenant stops operating within the District. For both of these filings, San Clemente and/or Tenant must identify the region code as “PAD.” San Clemente and Tenant also acknowledge, agree, and understand that for the District to receive TIF funding, it is imperative that San Clemente and/or Tenant properly file all tax forms to memorialize all appropriate sales made within the District’s district. In the event that it is determined by the District, the Arizona Department of Revenue, or the City of Tucson, that San Clemente and/or Tenant has failed to properly or timely file any of the TPT Forms or stopped operating in the District’s district before generating TPT revenues that match the Economic Incentive provided by the District to San Clemente hereunder, such failure will be considered an event of Default hereunder, and the District will have all rights available to it pursuant to Section 6(b) including, without limit, the right to claw back from San Clemente the difference between any and all Economic Incentive payments made to San Clemente at the time of such Default minus any TPT funds originating from San Clemente’s construction and/or Tenant’s operation/sales, and cease any pending or future distributions of any requested Economic Incentive payments to San Clemente. Further information regarding TPT funds and tax filings is included in Exhibit C.

(d) **Conditions Precedent.** For the duration of this Agreement and the Project, the foregoing Minimum Requirements are, and will, at all times, remain, express conditions precedent to the District’s obligation to provide (or continue to provide) any amount of the Economic Incentive funding for the construction, renovation, and remodeling of the Premises.

4. The District’s Findings. The District has determined that San Clemente’s, and as applicable, Tenant’s, satisfaction of the Minimum Requirements: (a) will benefit the District, the Convention Center, and the City in numerous ways including, without limitation, (i) increasing TPT revenues and other revenues, (ii) increasing the District’s and City’s employment base, (iii) stimulating further economic development in and around the Convention Center and within the District’s district, and (iv) otherwise improving or enhancing the economic welfare of the downtown Tucson area, the Convention Center, and the District, in general; (b) is not likely to occur (or to occur at this time and/or in this manner and/or in the Premises) without the benefits provided in this Agreement; and (c) demonstrates the potential to generate revenues and other benefits (both tangible and intangible) to the District that outweigh, or are not disproportionate to, the costs associated with those benefits.

5. Economic Incentive for Recipient.

(a) **Release of Funds.** Based upon the District's findings in Section 4, and subject to San Clemente's and Tenant's continuing satisfaction of the Minimum Requirements in Section 3, the District will pay the Economic Incentive as described in this Section 5.

(b) **Amounts & Limitations.** The total Economic Incentive eligible to be paid to San Clemente will **not** exceed Ninety Six Thousand Six Hundred One and 74/100 Dollars (\$96,601.74), comprised of the Construction Cost Reimbursement (as defined below) and the Equivalent Tax Rebate (as defined below), which together will **not** exceed the lesser of: (i) fifty percent (50%) of the total construction costs actually paid by San Clemente to complete the Improvements and Project, as described in the Construction Proposal; or (ii) Ninety Six Thousand Six Hundred One and 74/100 Dollars (\$96,601.74). The Construction Cost Reimbursement will **not** exceed the lesser of: (i) fifty percent (50%) of the total approved construction costs actually paid by San Clemente to complete the Improvements related to the Project, as described in the Construction Proposal; or (ii) Fifty Thousand and No/100 Dollars (\$50,000.00). The total eligible Equivalent Tax Rebate (subject to the other terms and conditions herein) will **not** exceed the lesser of: (i) fifty percent (50%) of the total construction costs actually paid by San Clemente to complete the Improvements related to the Project, as described in the Construction Proposal, minus the Construction Cost Reimbursement; or (ii) Fifty-Two Thousand Nine Hundred Thirty-Five and No/100 Dollars (\$52,935.00).

(c) **Construction Cost Reimbursement.** The first Fifty Thousand and No/100 Dollars (\$50,000.00) of the Economic Incentive will be payable in pro rata installments, proportional to actual work and construction progress completed on the Project (the "**Construction Cost Reimbursement**"). Accordingly, the District will release each installment of funds in an amount consistent with the latest construction draw submitted by San Clemente's Contractor up to the Construction Cost Reimbursement and only upon completion of the following required conditions:

(i) San Clemente and/or Contractor will deliver to the District a signed construction draw ("**Draw Notice**") demonstrating that the Improvements have been made in the Premises in compliance with the applicable Draw Notice and Construction Proposal;

(ii) For each Draw Notice submitted by San Clemente or Contractor, San Clemente (or its architect) will further provide written verification that: (X) certain Improvements and work consistent with the applicable Draw Notice number have been made in the Premises in compliance with the Construction Proposal, and (Y) proof of payment to Contractor and each of the applicable subcontractors and suppliers for Economic Incentive draws previously paid by the District. For the avoidance of doubt, the requisite proof of payment must include lien waivers as elsewhere described in this Section;

(iii) Upon completion of the foregoing, the District will have ten (10) business days from the date of receipt of San Clemente's applicable Draw Notice to inspect the construction work and confirm such work is in accordance with the Construction Proposal and the submitted Draw Notice. Within seven (7) business days of such inspection, the District will notify San Clemente in writing if the work (or any portion thereof) is not approved, and the District may withhold any Economic Incentive payment to San Clemente

until such time as the work has been corrected or performed in accordance with the District's notice and to its satisfaction. If the District fails to inspect the property or provide notice within the time periods specified, the District will be deemed to have approved the Draw Notice; and

(iv) As a further condition for the release of each installment, San Clemente must provide applicable lien waivers including, without limitation, Conditional Lien Waivers from all contractors, subcontractors, and suppliers with each Draw Notice as a condition for the release of any Economic Incentive payment(s) by the District, and Unconditional Lien Waivers evidencing such payments for each subsequent Draw Notice. All such lien waivers must be in the form prescribed in A.R.S. § 33-1008.

(d) Equivalent Tax Rebate; Calculation and Payment Procedure. In addition to the Construction Cost Reimbursement, San Clemente is **eligible** to receive **up to** an additional Fifty-Two Thousand Nine Hundred Thirty-Five and No/100 Dollars (\$52,935.00) of the Economic Incentive in quarterly installments¹ equal to the amount of Transaction Privilege Tax revenues (“**TPT Revenue**”) that the construction and retail sales of the Project generate and contribute to the District via construction, retail/food, and/or liquor sales taxes **for 12 months from the date that the Certificate of Occupancy is issued for the Tenant at the Premises** (the “**Equivalent Tax Rebate**”). To enable the District to capture this information and calculate the Equivalent Tax Rebate, San Clemente and Tenant agree to: (1) complete all necessary sales tax forms and reports with the code “PAD” and to share the same with the designated District representatives before submission to the Arizona Department of Revenue; and (2) share the completed forms and reports with Tenant's and San Clemente's accountants, contractors, and subcontractors to ensure they too report proper TPT Revenue generated at the Project. The total eligible Equivalent Tax Rebate will **not** exceed the lesser of: (i) fifty percent (50%) of the total construction costs actually paid by San Clemente to complete the Improvements related to the Project, as described in the Construction Proposal, minus the Construction Cost Reimbursement; or (ii) Fifty-Two Thousand Nine Hundred Thirty-Five and No/100 Dollars (\$52,935.00). For example, if San Clemente spends One Hundred Fifty Thousand and No/100 Dollars (\$150,000.00) in total construction costs (not Two Hundred Five Thousand Eight Hundred Seventy and No/100 Dollars (\$205,870.00), as it represented to the District at its April 22, 2025 board meeting), then San Clemente would be eligible to receive up to Seventy-Five Thousand and No/100 Dollars (\$75,000.00) total Economic Incentive (i.e., \$150,000.00 * 50% = \$75,000.00. Of this, Fifty Thousand and No/100 Dollars (\$50,000.00) would be paid as Construction Cost Reimbursement, with the balance (up to \$25,000.00) payable as Equivalent Tax Rebate installments based on actual TPT Revenue generated at the Premises).

San Clemente further agrees to provide the name of its Contractor (whom the District will work with to ensure all eligible TPT Revenue is accounted for and tracked) to report the amount of each construction draw during the Term, to provide evidence of TPT Revenue to the District, and to

¹ The Parties acknowledge and agree that there is typically a two- to three-month lag in the Arizona Department of Revenue's reporting of TPT Revenue. Consequently, San Clemente acknowledges and agrees that it may not receive its first quarterly Equivalent Tax Rebate until two or three months after its initial submission of TPT Revenue reports for this Project. San Clemente further acknowledges and agrees that it will not receive actual TPT Revenue, but an equivalent amount funded from Rio Nuevo's non-TPT designated funds.

cooperate with the District to identify all TPT Revenue generated each month from the Project before the release of any Equivalent Tax Rebate payments.

Upon verification of actual TPT Revenue generated from the Project, the District will: (1) track the Equivalent Tax Rebate monthly in a form similar to the exemplar Rebate Form attached as Exhibit C; (2) deposit the monthly Equivalent Tax Rebate into a District-owned and controlled clearinghouse bank account; and (3) promptly release the Equivalent Tax Rebate to San Clemente on a quarterly basis, subject to the monetary caps and time limits (i.e., TPT Revenue generated in the 12 months from issuance of the Certificate of Occupancy for the Premises) herein and provided San Clemente remains in compliance with this Agreement.

Subject to the foregoing, if San Clemente and Tenant satisfy the applicable conditions in this Section 5(d), the District will release each quarterly Equivalent Tax Rebate installment no later than fourteen (14) business days following verification of the relevant TPT Revenue and compliance with this Agreement: (a) generated on the Premises for up to 12 months post receipt of the Certificate of Occupancy, or (b) the Equivalent Tax Rebate cap herein, if and as applicable (i.e., \$52,935.00 or less depending on how much San Clemente spends on actual construction costs for this Project).

(e) Tax Filings. San Clemente hereby understands and agrees that a precondition to its eligibility for the Economic Incentive is that it, and its Tenant, must file the Tax Forms according to the terms and procedures set forth in Sections 3(c) and 5(d) and Schedule D hereof and only up to 12 months post receipt of its Certificate of Occupancy for the Premises.

(f) Sole Use. San Clemente hereby irrevocably covenants and agrees to use the Economic Incentive solely to defray San Clemente's actual costs for the construction, renovation, and repurposing of the Premises in compliance with the Project and Construction Proposal.

(g) Documentation. San Clemente must promptly provide the District with any and all documentation and/or evidence that the District requests to establish that the Economic Incentive granted herein, and each installment of Economic Incentive funds made to San Clemente hereunder, is used consistently with the District's stated purpose and goals, this Agreement, and the Construction Proposal documents.

(h) No Material Change in Scope. San Clemente agrees that it will not materially change the scope of this Project without first notifying the District in writing and negotiating with the District before any material changes are made to the Project.

(i) Termination of Right to Economic Incentive. In addition to such other restrictions and conditions expressly contained in this Agreement, San Clemente's right to Economic Incentive funds will terminate at the earlier of: (i) the completion date of the Improvements and payment by the District of the Economic Incentive pursuant to Section 5(a), or (ii) December 1, 2025.

6. Default, Cure & Remedies.

(a) Party Default. If either Party violates any term or condition of this Agreement or fails to perform its obligations under this Agreement and such violation and/or failure continues

for a period of thirty (30) days after written notice thereof from the other Party (the “**Cure Period**”), such failure will constitute a Default under this Agreement; *provided*, however, that, if the violation or failure is such that more than thirty (30) days would reasonably be required to perform such action or comply with any term or provision hereof, then such Party will have such additional time as may be necessary to perform its obligations so long as such Party commences performance or compliance within said Cure Period and diligently proceeds to complete such performance. Any notice of a Default will specify the nature of said Default and the manner in which said Default may be satisfactorily cured, where possible. If said Default is not cured within the Cure Period, or by its nature cannot be cured, the non-defaulting Party will have the remedies available to them in Section 6(b) or Section 6(c) of this Agreement, as applicable.

(b) The District’s Remedies. Whenever a Default occurs and is not cured (or, if appropriate, cure undertaken) by San Clemente in accordance with this Agreement, the District’s remedies will include, without limit, the following:

(i) Upon any Default which continues for thirty (30) days or more after the Cure Period (unless additional time is required to cure such Default as provided elsewhere in this Section), the District will—without incurring any penalty or liability whatsoever—be entitled to, in all cases, recover from San Clemente any and all Economic Incentive payments made during the period of any properly noticed and uncured Default, and immediately cease all future Economic Incentive payments to San Clemente;

(ii) In addition to all other rights and remedies available to the District, the following uncured events of Default will give the District the right to claw back from San Clemente all Economic Incentive payments previously disbursed to San Clemente:

(1) Misuse or misappropriation, or material misrepresentation or omission as to the use or purpose, of any Economic Incentive funds received hereunder, irrespective of when during the term such misuse, misappropriation, or misrepresentation occurred;

(2) Failure to properly and timely file TPT Forms as set forth in Section 3(c); and

(3) Material misrepresentation or omission on the part of San Clemente to induce and/or secure the Economic Incentive or, regarding the Construction Proposal, claw back from San Clemente all Economic Incentive payments previously disbursed.

(iii) Upon any Default, the District will be entitled to any other remedies as may be available at law or in equity. All remedies of the District will be cumulative and not exclusive of one another, and the District’s exercise of any remedy (or remedies) will not constitute a waiver or election with respect to any other available remedy (or remedies). For the avoidance of doubt, the foregoing rights and remedies of the District will be available after the Term for any Default unless otherwise expressly agreed in a separate writing signed by the District.

(c) **San Clemente's Remedies.** Whenever a Default occurs and is not cured (or, if appropriate, cure undertaken) by the District in accordance with the requisite notice and Cure Period provisions of this Agreement, the District expressly acknowledges and agrees that San Clemente may seek specific performance, an injunction, special action, declaratory relief, or other similar relief requiring the District to undertake and fully and timely perform its obligations under this Agreement and/or San Clemente may seek damages from the District limited to the amount of any undisbursed funds that a court determines should properly be disbursed to San Clemente and not for any other damages of any kind or nature.

(d) **Limitation on Damages.** Except as limited herein, claims for damages (when and if permitted) will be limited to actual damages as of the time of entry of judgment. The Parties each hereby waive any and all rights to seek or receive punitive, multiple, exemplary, consequential, or other damages.

(e) **Delays; Waivers.** Except as otherwise expressly provided in this Agreement, any delay by any Party in asserting any right or remedy under this Agreement will not operate as a waiver of any such rights nor limit such rights in any way; and any waiver in fact made by such Party with respect to any Default by the other Party will not be considered as a waiver of rights with respect to any other Default by the performing Party or with respect to the particular Default, except to the extent specifically waived in writing. It is the intent of the Parties that this provision will enable each Party to avoid the risk of being limited in the exercise of any right or remedy provided in this Agreement by the doctrine of waiver.

7. **Representations and Warranties and Covenants.**

(a) **Of San Clemente.** San Clemente represents, warrants, and covenants to the District that:

(i) *Organization.* San Clemente is a limited liability company, duly organized, validly existing, and in good standing under the laws of the State of Arizona, and San Clemente has the power, right, and authority to enter into this Agreement, and consummate the transaction contemplated hereby, without the consent or joinder of any other party or order or approval of any court, and this Agreement will constitute a legal, valid, and binding obligation of San Clemente, enforceable against it in accordance with the terms and conditions herein.

(ii) *Performance.* San Clemente will execute and acknowledge when appropriate, all documents and instruments and take all actions necessary to implement and evidence this Agreement and will timely perform all of its obligations under the Lease and this Agreement.

(iii) *Litigation.* As of the date of this Agreement, San Clemente knows of no litigation, proceeding, or official investigation contesting the powers of San Clemente or its officers with respect to this Agreement, including San Clemente's execution, delivery, and performance hereof, that has not been disclosed in writing to the District.

(iv) *Contracts.* Except as provided in this Agreement, neither this Agreement nor anything required to be done hereunder violates or will violate any contract or agreement to which San Clemente is a party.

(v) *Indemnification.* Upon the filing by any Third Party of any action at law or in equity or the assertion of any claim, cause of action, or judicial or non-judicial proceeding relating or pertaining to San Clemente's performance or failure to perform its obligations under this Agreement, whether or not San Clemente is a party to such claim, action, or proceeding, and whether or not negligence or gross negligence by the District is alleged, San Clemente will cause such action or proceeding (including all claims against the District, its directors, officers, agents, or employees) to be timely defended by counsel selected by San Clemente and acceptable to the District in its reasonable discretion. The District will fully cooperate in the defense of such action or proceeding in coordination with San Clemente's counsel, at San Clemente's sole cost and expense. The District may, in its sole discretion, select its own counsel to defend the District, at the District's own cost and expense. In addition to the foregoing, San Clemente must indemnify, defend, and hold the District, its Board Members, officers, representatives, agents, attorneys, and employees, harmless for, from, and against any liability, loss, claim, action, or demand, including attorneys' fees and costs that may arise out of or is connected (A) with San Clemente's breach of any covenant, representation, warranty, or term in this Agreement, or (B) to the Improvements to the Project or the Economic Incentive provided by the District to San Clemente. Notwithstanding anything in this Agreement to the contrary, San Clemente's obligations in this Section 7(a)(v) will survive termination and/or the expiration of this Agreement.

(vi) *No Consideration to Third Parties.* San Clemente has not paid or given, and will not pay or give, any Third Party any money or other consideration for obtaining this Agreement other than normal costs of conducting business and costs of professional services such as the services of architects, engineers, and attorneys.

(b) The District.

(i) *Organization.* The District is a special taxing district of the State of Arizona, duly organized, validly existing, and in good standing under the laws of the State of Arizona, and has the power, right, and authority to enter into this Agreement and to consummate the transaction contemplated hereby, without the consent or joinder of any other party, or order or approval of any court, and this Agreement will constitute a legal, valid, and binding obligation of the District, enforceable against the District, in accordance with the terms and conditions herein.

(ii) *Performance.* The District will execute and acknowledge, when appropriate, all documents and instruments and take all actions necessary to implement and evidence this Agreement.

(iii) *Litigation.* As of the date of this Agreement, the District knows of no litigation, proceeding, initiative, referendum, or official investigation contesting the powers of the District or its officials with respect to this Agreement, including the District's

execution, delivery, and performance hereof, that has not been disclosed in writing to San Clemente.

(iv) *Other Contracts.* Except as provided in this Agreement, neither this Agreement nor anything required to be done hereunder violates or will violate any contract or agreement to which the District is a party.

(v) *Indemnification.* The District will indemnify and defend San Clemente, its managers, members, representatives, agents, and employees from and against any liability, loss, claim, action, or demand, including reasonable attorneys' fees and costs, which arise out of or is connected with the District's breach of any covenant, representation, warranty, or term in this Agreement. The District's indemnification obligation above will survive the termination or expiration of this Agreement for a period equal to the applicable statute of limitations period.

(c) **Limitation on Representations.** Except as expressly stated herein, no Party has made any representation regarding the validity, enforceability, tax effect, or any other aspect of this Agreement.

8. **Enforced Delay.**

(a) **Events Constituting Enforced Delay.** Whether stated or not, all periods of time in this Agreement are subject to this Section. Neither Party, as the case may be, will be considered to have caused a Default, nor will San Clemente be deemed to have failed to satisfy San Clemente and/or Tenant Minimum Requirements with respect to its obligations under this Agreement, in the event of a delay (an "**Enforced Delay**") due to causes beyond its control and without its fault, negligence or failure to comply with the Applicable Laws including, but not restricted to:

(i) acts of God; acts of the Federal or State government; acts of a Third Party; litigation or other action authorized by law concerning the validity and enforceability of this Agreement or relating to transactions contemplated hereby; fires, floods, pandemics, epidemics, quarantine, restrictions, strikes, embargoes, labor disputes, and unusually severe weather, or the delays of subcontractors or materialmen due to such causes; act of a public enemy; war, terrorism or act of terror (including, but not limited to, bio-terrorism or eco-terrorism); nuclear radiation; declaration of national emergency or national alert; blockade, insurrection, riot, labor strike or interruption, extortion, sabotage, or similar occurrence; any exercise of the power of eminent domain by any governmental body on behalf of any public, quasi-public, or private entity; or declaration of moratorium or similar hiatus directly affecting the Premises and property by any governmental entity; or

(ii) any Order which delays the completion of the work or other obligation of the Party claiming the delay, unless it is shown that such Order is the result of the failure to comply with Applicable Laws by the Party claiming the delay; *provided*, however, that the contesting, in good faith, of any such Order will not constitute or be construed or deemed as a waiver by a Party of Enforced Delay. In no event will Enforced Delay include any delay resulting from general economic or market conditions, from the unavailability of financing or financing on terms acceptable to San Clemente, from labor shortages, nor

from the unavailability for any reason of particular materials or other supplies, contractors, subcontractors, vendors, investors, or lenders desired by San Clemente. It is understood and agreed that San Clemente will bear all risks of delay, which is not Enforced Delay.

(b) Notice of Enforced Delay. In the event of the occurrence of any such Enforced Delay, the time or times for performance of the obligations of the Party claiming delay will be extended for a period equal to the duration of the Enforced Delay. The Party seeking the benefit of this Section will, within thirty (30) days after such Party knows or reasonably should know of any such Enforced Delay, first notify the other Party of the specific delay in writing and claim the right to an extension for the period of the Enforced Delay.

9. General Provisions.

(a) Waivers. No waiver of any of the provisions of this Agreement will constitute a waiver of any other provision, whether or not similar, nor will any waiver be a continuing waiver. Unless expressly provided for in this Agreement, no waiver will be binding unless executed in writing by the Party making the waiver. Any Party may waive any provision of this Agreement intended for its sole benefit; however, unless otherwise provided for herein, such waiver will in no way excuse the other Party from the performance of any of its other obligations under this Agreement.

(b) Construction, Governing Law, and Venue. This Agreement must be interpreted according to Arizona law and must be construed as a whole and in accordance with its fair meaning and without regard to, or taking into account, any presumption or other rule of law requiring construction against the Party preparing this Agreement or any part hereof. Any dispute or controversy relating to this Agreement, including the breach and enforcement thereof, must take place in the Superior Court of Pima County, Arizona.

(c) Time. Time is strictly of the essence for each and every provision of this Agreement.

(d) No Commission. Both Parties represent that no unpaid commission is outstanding with respect to this Agreement, and each Party indemnifies the other against brokerage or commission claims arising out of the indemnifying Party's actions.

(e) Attorneys' Fees. If any action is brought by any Party in respect to its rights under this Agreement, the prevailing Party will be entitled to reasonable attorneys' fees and court costs as determined by the court, including reasonable attorneys' fees incurred before any court or enforcement action that relate to the enforcement hereof.

(f) Binding Effect. This Agreement and all instruments or documents entered into pursuant hereto are binding upon and will inure to the benefit of the Parties (as applicable) and their respective permitted successors and assigns.

(g) Further Assurances and Documentation. Each Party agrees in good faith to take such further actions and execute such further documents as may be necessary or appropriate to fully carry out the intent and purposes of this Agreement and to effectuate the provisions of this Agreement and the rights of each Party.

(h) Time Periods. If the time for the performance of any obligation under this Agreement expires on a Saturday, Sunday, or legal holiday, the time for performance will be extended to the next succeeding day, which is not a Saturday, Sunday, or legal holiday.

(i) Headings. The headings of this Agreement are for purposes of reference only and will not limit or define the meaning of any provision of this Agreement.

(j) Entire Agreement. This Agreement, together with all exhibits referred to herein, which are incorporated herein and made a part hereof by this reference, constitutes the entire agreement between the Parties pertaining to the subject matter in this Agreement. No supplement, modification, or amendment of this Agreement will be binding unless in writing and executed by the Parties.

(k) Counterparts. This Agreement may be executed by the exchange of faxed or electronic signatures and in any number of counterparts, each of which will be deemed an original, but all of which together constitute one and the same instrument.

(l) Approvals and Notices. Any Notice that any Party may desire or may be obligated to give to any other Party must be in writing and may be given by personal delivery; registered or certified mail (return receipt requested); email transmission (with delivery receipt); or by commercial courier to the Party, or its successors or assigns, to whom the Notice is intended at the address of the Party set forth below or at any other address as the Parties may later designate in writing. Change of address by a Party will be given by Notice as provided in this Section:

If to the District: Rio Nuevo Multipurpose Facilities District
Attn: Fletcher McCusker
1703 East Broadway Boulevard
Tucson, Arizona 85719

With a copy to: Farhang & Medcoff, PLLC
Attn: Timothy Medcoff, Esq.
100 South Church Avenue, Suite 100
Tucson, Arizona 85701
Email: tmedcoff@farhangmedcoff.com

If to San Clemente: San Clemente, LLC
c/o Partners Management
Attn: Steve Schuyler
5055 East Broadway Boulevard #c20
Tucson, Arizona 85711
Email: sschuyler@partnersmanagement.com

With a copy to: Greg Furrier
P.O. Box 65720
Tucson, Arizona 85728
Email: gfurrier@picor.com

(m) **Successors and Assigns.** All of the provisions hereof will inure to the benefit of and be binding upon the successors and assigns of the Parties; *provided*, however, that San Clemente's rights and obligations hereunder may be assigned or transferred only at any time the assignor is not in Default under any provision of this Agreement to a single person or entity that has acquired the entirety of such rights and obligations as a successor in interest to San Clemente; and, *provided further* that the successor has expressly and in writing, for the benefit of the District, assumed all of the obligations of the assignor under this Agreement. An assignee pursuant to an assignment or transfer made in compliance with all of the terms and provisions of this Agreement may be referred to as a "**Permitted Assignee.**" Any assignment or transfer not made in compliance with all of the terms and provisions of the Agreement will be void *ab initio*, and not voidable, and will vest no rights in the purported assignee or transferee.

(n) **Term.** Subject to any express provision to the contrary, the Term will automatically expire and terminate, without further act or notice required, upon the occurrence of the events contemplated in Section 5(i). Following the Term, the Parties will have no rights or obligations hereunder; *except* that, notwithstanding anything in this Section or Agreement to the contrary, the Parties' indemnification obligations set forth in Section 7 will survive along with any other rights and obligations of the Parties as may be otherwise expressly provided in this Agreement.

(o) **No Partnership; Third Parties.** Nothing in this Agreement will create, or be deemed to create, any partnership, joint venture, or other similar arrangement between the Parties. No term or provision of this Agreement is intended to or will be for the benefit of any person, firm, organization, or corporation, not a Party hereto, and no such other person, firm, organization, or corporation will have any right or standing to any cause of action hereunder; *except* that the protection of the indemnification provisions of this Agreement will extend to all agents, attorneys, Board Members, officers, and employees of the District acting in the course and scope of their employment or engagement and all such persons will be, and are intended to be, third party beneficiaries of such indemnification provisions.

(p) **Limited Severability.** The Parties agree that, in the event that any provision of this Agreement is declared void or unenforceable (or is construed as requiring the District to do any act in violation of any Applicable Law), such provision will be deemed severed from this Agreement, and this Agreement will otherwise remain in full force and effect; *provided* that this Agreement will retroactively be deemed reformed to the extent reasonably possible in such a manner so that the reformed agreement provides essentially the same rights and benefits (economic and otherwise) to the Parties as if such severance and reformation were not required. Further, the Parties will perform all acts and execute all amendments, instruments, and consents necessary to accomplish and to give effect to the purposes of this Agreement, as and if reformed in accordance with this Section 9(p).

(q) **No Liability of the District Officials.** No director, officer, official, representative, agent, attorney, or employee of the District will be personally liable to San Clemente, or to any successor in interest to San Clemente, in the event of any Default by the District, or for any amount which may become due to San Clemente or its successors, or with respect to any obligation of the District pursuant to this Agreement.

(r) **The District Expenditures.** Notwithstanding anything to the contrary herein, the District's cumulative financial responsibility for all payments, expenses, and costs incurred under this Agreement will, in all cases, be less than the expenditure thresholds set forth in A.R.S. §§ 48-4203(E) and 48-4204(C).

(s) **Sunset Provision.** Notwithstanding anything to the contrary herein, under no circumstances will District be subject to any liability to San Clemente under this Agreement that arises or results from District's termination or dissolution pursuant to applicable law and/or any actions taken by District in compliance with any applicable statutory mandate (including, without limit, those set forth in A.R.S. § 48-4202) or intergovernmental agreement relating to the District.

(t) **Construction with Applicable Law.** This Agreement will be at all times construed in a manner consistent with the Arizona laws including, without limit, those applicable to multipurpose facilities districts at A.R.S. § 48-4201 *et seq.*

(u) **Conflict of Interest.** This Agreement is subject to and may be terminated by the District in accordance with the provisions of A.R.S. § 38-511.

(v) **No Offer.** The Parties acknowledge and agree that this Agreement will not constitute an offer or be binding upon either Party until it is fully executed and delivered by the District.

(w) **Israel Boycott.** If and to the extent that A.R.S. § 35-393 *et seq.* is applicable, San Clemente certifies that it is not currently engaged in, and agrees for the duration of this Agreement to not engage in, a boycott of goods or services from Israel as that term is defined in A.R.S. § 35-393.


[Signature Page Follows]

IN WITNESS WHEREOF, the Parties have executed this Agreement on the dates set forth with their respective signatures, effective as of the Effective Date below.


Effective Date: 10/23/2025

**SAN CLEMENTE, LLC, AN ARIZONA
LIMITED LIABILITY COMPANY**


**RIO NUEVO MULTIPURPOSE FACILITIES
DISTRICT**

DocuSigned by:

By: _____
Name: Greg M. Furrier
Title: Manager

Date: 10/23/2025

By:  _____
Name: Fletcher McCusker
Title: Chairman

Date: 10 / 23 / 2025

By:  _____
Name: Taunya Villicana
Title: Secretary

Date: 10 / 23 / 2025

EXHIBIT A
LEGAL DESCRIPTION

Lots 1, 2, 3, 4, 5, 6, and the East 5 feet of Lot 7; and Lots 15, 16, 17, 18, and 19, all in Block 1 of EL MONTEVIDEO ESTATES, a subdivision of Pima County, Arizona, according to the Plat of record in the Office of the Pima County Recorder, in Book 5 of Maps, Page 75.

EXCEPTING therefrom those portions of Lots 1, 2, and 19, conveyed to the City of Tucson, a municipal corporation, by deeds recorded in Docket 2849, Page 773, in Docket 2849, page 774.

EXHIBIT A-2 DEPICTION OF PREMISES



EXHIBIT B
CONSTRUCTION PROPOSAL PLANS AND DOCUMENTS

Cafe Francais

BOULANGERIE & PATISSERIE

Proposal for Rio Nuevo – San Clemente Shopping Center



Operators: Noelle & Daniel Martinez
Landlord: Greg Furrier & Natalie Furrier
San Clemente, LLC



Background



We are a small, 100% scratch, locally owned, and operated authentic French bakery established in 2019. A husband-and-wife duo with 35 years' combined experience, Noelle's culinary education placed an emphasis on French preparations and methods, while Daniel has spent the whole of his career studying, dissecting, and perfecting the delicacy and nuance of traditional French methods and preparations.



Reviews



G D.

Oxnard, CA

@ 1 ★ 111 📷 60

★★★★★ Dec 12, 2024

A long drive from just about everywhere in Tucson, but worth it!

I went looking for a good baguette and croissant and found both here. Very small shop and I'm going to guess they sell out of everything early. Got my baguette and a "almond croissant bear claw". Yes it was as good as that sounds. Sorry, forgot the picture.



Joey H. Elite 25

Tucson, AZ

@ 6 ★ 138 📷 26

★★★★★ Feb 13, 2024

Croissants are top notch, they use butter and no cheap oils. Slight crunch on the outside and soft and layered on the inside, so good. Tried out a couple of breads; baguette and whole grain wheat both were good. This place is about as far away as it can get for me but I think I'll make it a weekly stop due to the quality. the only way it could get better is if they had organic options.



Thank



Betsy M. Elite '25

@ 126 ★ 1137 📷 2686

★★★★★

2/25/2024

I have had this patisserie bookmarked for well over a year, as someone who LOVES a well made croissant that will take me back to time spent in Europe. They nailed it. My husband and I stopped in on a Saturday to get some items for take out. We got the chocolate, strawberry & almond croissants along with a cinnamon role. Sure they are a bit pricey, but you get what you pay for. Absolutely delicious with a nice flakey/crunchy crust, the croissants taste just like the ones I have had in France and Belgium. The cinnamon role was outstanding as well. It is a cute little joint in Wrightstown area, with an outdoor seating area. I am actually thrilled this place is not too close to where I live, as I would likely be about 30 pounds heavier.



Paul L. Elite 25

Tucson, AZ

📍 37 Bakery reviews

★★★★★ Sep 1, 2023 · 🔄 Updated review

📷 2 photos

I haven't been here in months because this bakery is across town but I was desperate. This is the only place in Tucson that I've found that knows how to make croissants -- real croissants.

There are bakeries in Tucson but most I've visited are incredibly bland or, worse, clueless. They rely on pre-mixed ingredients.

A visit here is leagues above anywhere else. I just had their goat cheese and fig danish. The goat cheese was perfectly tart and it paired so well with the sweet fig.

I could go on but I'm stopping this review to eat more from the haul I brought home.

Current Location

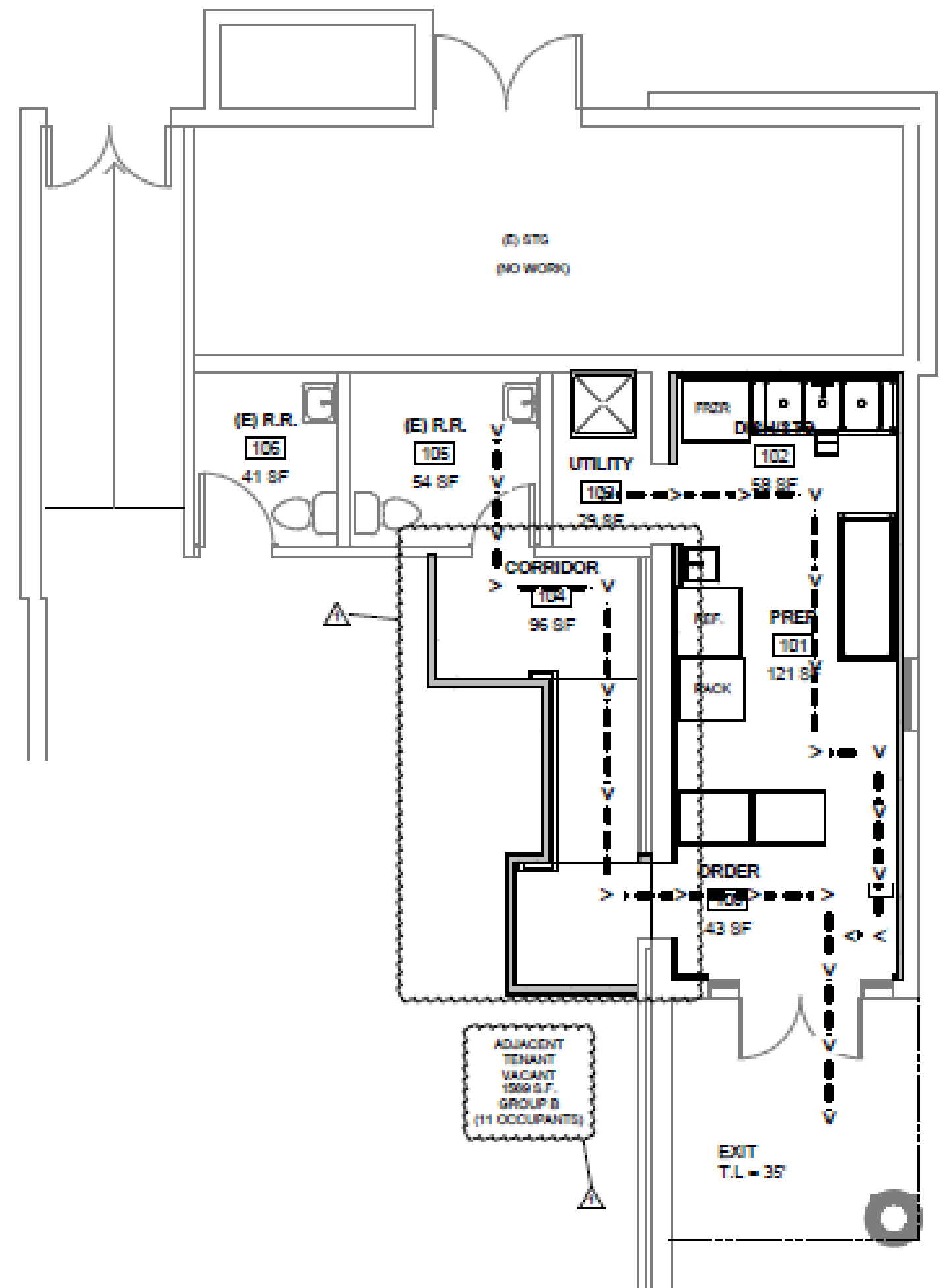
Wrightstown & Pantano - Below Tanque Verde Bridge

Access is tough - helicopter is the best mode of transportation...



Improvements

- Rough plumbing
- Commercial Kitchen
- Workspace
- Electrical
- Bathroom addition (corridor for access)
- Paint/Drywall/Tile
- Patio Seating



Egress Plan
1/4" = 1'-0"

Improvements - Patio



Utilize existing shared rear patio (with Bruegger's)



Timeline:

- ✓ Approved permit from City of Tucson
- ✓ Bid & Timing from Reliance Construction

Permit: [TC-COM-1124-02254](#)

Permit Details

Status:

Approved

Apply Date:

11/25/2024

Type:

Commercial Building

Applicant:

Gene Goldstein

Address:

[3855 E BROADWAY BL](#)

Description:

TI: Restaurant



FINANCIAL FORECASTS

-EXPENSES



Previous Items Paid for:	
Storefront Glass System	\$ 12,000
Demolition	\$ 3,000
New Electric Meter (Contingency)	\$ 15,000
TOTAL ITEMS PAID FOR	\$ 30,000

ITEM	COST
Signage (owner estimate)	\$ 18,000.00
Landscape (owner estimate)	\$ ★ 4,000.00
New Paver Seating Area (owner estimate)	\$ 15,000.00
Patio Screen Wall (owner estimate)	\$ 5,000.00
Sub-Total	\$ 42,000.00
<i>CONSTRUCTION BID FROM RELIANCE COMMERCIAL CONSTRUCTION INC.</i>	
Concrete	\$ 2,473.00
Steel	\$ 498.00
Rough Carpentry	\$ 2,870.00
Insulation	\$ 3,831.00
Roofing	\$ 500.00
Doors	\$ 1,363.00
Metal Framing & Drywall	\$ 17,600.00
Flooring & Wall Tile	\$ 8,520.00
Painting	\$ 1,076.00
Specialties	\$ 2,930.00
HVAC	\$ 11,542.00
Fire Protection	\$ 200.00
Plumbing	\$ 29,390.00
Electrical	\$ 39,647.00
Sub-Total	\$ 122,440.00
General Conditions	\$ 26,533.00
Contractor's Fees	\$ 14,897.00
Sub-Total	\$ 41,430.00
Total	\$ 205,870.00

★ Landscape - repairs required for grease trap installation

**TOTAL PROJECT
CONSTRUCTION
COSTS: \$205,870**

OUR ASK:

\$104,171

FINANCIAL FORECASTS - SALES PROJECTIONS

YTD 2024					PROJECTION				
Pantano & Wrightstown Data - Current					Broadway & Alvernon				
	Revenue	Customers Per Day	Cars Per Day	Traffic Capture Rate	Cars per Day	Customers per Day	Sales per Day	Sales per Month	
January	\$29,756.82	57	12,672	0.446%	66,483	297	\$ 7,805.88	\$ 156,117.63	
February	\$33,787.97	64	12,672	0.507%	66,483	337	\$ 8,863.34	\$ 177,266.86	
March	\$35,072.56	67	12,672	0.526%	66,483	350	\$ 9,200.32	\$ 184,006.39	
April	\$24,703.67	47	12,672	0.371%	66,483	246	\$ 6,480.33	\$ 129,606.54	
May	\$24,355.62	46	12,672	0.365%	66,483	243	\$ 6,389.03	\$ 127,780.51	
June	\$21,989.54	42	12,672	0.330%	66,483	219	\$ 5,768.35	\$ 115,367.00	
July	\$18,502.07	35	12,672	0.278%	66,483	185	\$ 4,853.51	\$ 97,070.16	
August	\$28,131.20	53	12,672	0.422%	66,483	281	\$ 7,379.45	\$ 147,588.90	
September	\$24,501.83	47	12,672	0.368%	66,483	244	\$ 6,427.38	\$ 128,547.60	
October	\$32,386.86	62	12,672	0.486%	66,483	323	\$ 8,495.80	\$ 169,916.00	
November	\$30,217.81	57	12,672	0.453%	66,483	301	\$ 7,926.81	\$ 158,536.19	
December	\$28,370.69	54	12,672	0.426%	66,483	283	\$ 7,442.27	\$ 148,845.37	
*We are using 2024 numbers as a point of reference, March of 2025 was \$44,786.88							Annual Sales Projection		\$ 1,740,649.18
							Margin Error Adjustment (50%)		\$ 870,324.59

	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5	TOTAL
SALES REVENUE	\$870,324.59	\$ 887,731.08	\$ 905,485.70	\$ 923,595.42	\$ 942,067.32	\$ 4,529,204.11
SALES TAX REVENUE	\$ 20,017.47	\$ 20,417.81	\$ 20,826.17	\$ 21,242.69	\$ 21,667.55	\$ 104,171.69



Vendor	Description	Allocation	Café Francias Portion	Total Invoice Amount
BENCO	original demolition, doors, sink room, sewer connection, electric service, structural wall opening.	20.79%	\$ 48,006.24	\$ 230,910.03
		Note: Café Francias 400 SF / (400 + adjacent 1524 SF)		
ITDG	General Contractor	100%	\$ 53,144.30	\$ 53,144.30
		100%	\$ 75,069.93	\$ 75,069.93
Sign Up Services	Banners	100%	\$ 652.20	\$ 652.20
Double T Signs	Permanent Sign	100%	\$ 8,335.00	\$ 8,335.00
Hallmark Co.	Grease Trap	100%	\$ 1,500.00	\$ 1,500.00

TOTAL CAFÉ FRANCIAS \$ 186,707.67

Vendor Ledger

Payee: BENCO CONSTRUCTION, LLC

Properties: Active

Bill Date Range: 01/06/2023 to 09/03/2025

Show Reversed Transactions: No

Reference	Bill Date	GL Account	Property	Unit	Paid	Unpaid	Check #	Paid Date	Description
	12/14/2023	1415 - T.I. #1	SAN CLEMENTE SHOPPING CENTER - 3827 - 3853 E BROADWAY BLVD, 15 N ALVERNON TUCSON, AZ 85711		34,573.64	0.00	9584	12/14/2023	TI/3853
	12/29/2023	1415 - T.I. #1	SAN CLEMENTE SHOPPING CENTER - 3827 - 3853 E BROADWAY BLVD, 15 N ALVERNON TUCSON, AZ 85711		14,418.30	0.00	9589	12/29/2023	TI/3853
	01/31/2024	1415 - T.I. #1	SAN CLEMENTE SHOPPING CENTER - 3827 - 3853 E BROADWAY BLVD, 15 N ALVERNON TUCSON, AZ 85711		45,211.44	0.00	9601	01/31/2024	TI/3853
	02/29/2024	1415 - T.I. #1	SAN CLEMENTE SHOPPING CENTER - 3827 - 3853 E BROADWAY BLVD, 15 N ALVERNON TUCSON, AZ 85711		42,841.17	0.00	9610	02/29/2024	TI/3853
	04/04/2024	1415 - T.I. #1	SAN CLEMENTE SHOPPING CENTER - 3827 - 3853 E BROADWAY BLVD, 15 N ALVERNON TUCSON, AZ 85711		20,891.19	0.00	9626	04/04/2024	TI/3853 50%
	04/09/2024	1415 - T.I. #1	SAN CLEMENTE SHOPPING CENTER - 3827 - 3853 E BROADWAY BLVD, 15 N ALVERNON TUCSON, AZ 85711		20,891.19	0.00	9627	04/09/2024	TI/3853
	04/25/2024	1415 - T.I. #1	SAN CLEMENTE SHOPPING CENTER - 3827 - 3853 E BROADWAY BLVD,		27,083.10	0.00	9637	04/25/2024	TI/3853

Vendor Ledger

Reference	Bill Date	GL Account	Property	Unit	Paid	Unpaid	Check #	Paid Date	Description
			15 N ALVERNON TUCSON, AZ 85711						
	08/02/ 2024	1415 - T.I. #1	SAN CLEMENTE SHOPPING CENTER - 3827 - 3853 E BROADWAY BLVD, 15 N ALVERNON TUCSON, AZ 85711		25,000.00	0.00	9673	08/02/ 2024	Retainer fee to Finish- AUTH by Greg Furrier
					230,910.03	0.00			
Total					230,910.03	0.00			

Double T Signs, Inc.
 3880 S Palo Verde Rd
 Suite 401
 Tucson, AZ 85714

Quote

Date	Estimate #
9/3/2025	10571

Name / Address
Picor Commercial Property Management 5151 E Broadway Blvd, Suite 115 Tucson, AZ 85711

Ship To
3855 E. Broadway Blvd. Tucson, AZ 85716

P.O. No.	Terms	Project/Job	Work Order Number
	Net 30		

Description	Qty	Cost	Total
- Fabricate 24" LED Illuminated Channel Letters with acrylic back plate outline - Letters mounted on custom raceway - Install signage on flat bar provided by others		8,130.00	8,130.00T
Permit Processing Fee		225.00	225.00
Permit Fee - Price TBD once approved		0.00	0.00

Approval: _____
 Signature Title

Subtotal	\$8,355.00
Sales Tax (0.0%)	\$0.00
Total	\$8,355.00

TERMS (unless otherwise noted in a written contract):
 All jobs over \$1,000 require a 50% Deposit.
 Upon acceptance, we will require all information needed to complete a Prelien.
 Balance due upon completion of work.

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Innovative Technology Development Group, LLC
 12441 E Camino del Garanon
 Tucson, AZ 85747

Invoice

Date	Invoice #
6/23/2025	7373

Bill To
San Clemente, LLC Cafe Francais TI C/OGreg Furrier PICOR 5151 E Broadway Blvd #115 Tucson, AZ 85711

Terms	Project
	Cafe Francias- 3855 E Br...

Description	Rate	Prior %	Curr %	Total %	Amount
General Conditions	4,363.50		69.99%	69.99%	3,054.00
Demolition	2,995.00		100.00%	100.00%	2,995.00
Structural Steel	2,309.00		100.00%	100.00%	2,309.00
Rough Carpentry	975.00		100.00%	100.00%	975.00
Door/Hardware Installation	180.00		100.00%	100.00%	180.00
Insulation	3,831.05		100.00%	100.00%	3,831.00
Doors-Hardware-Timely Frame	2,200.00		100.00%	100.00%	2,200.00
Roofing	750.00		100.00%	100.00%	750.00
Drywall	12,300.00		65.04%	65.04%	8,000.00
Specialties/FRP/Extinguishers	5,672.50		44.99%	44.99%	2,552.00
Plumbing	27,100.00		70.00%	70.00%	18,970.00
HVAC	5,463.00		70.02%	70.02%	3,825.00
Electrical	16,625.00		70.00%	70.00%	11,638.00
Overhead	9,528.26		64.31%	64.31%	6,127.90
Profit	10,481.08		64.31%	64.31%	6,740.69
GL Insurance	922.34		100.00%	100.00%	922.34
			Total		\$75,069.93

Payments/Credits	\$0.00
Balance Due	\$75,069.93



Innovative Technology Development Group, LLC
 12441 E Camino del Garanon
 Tucson, AZ 85747

Invoice

Date	Invoice #
8/1/2025	7405

Bill To
San Clemente, LLC Cafe Francais TI C/OGreg Furrier PICOR 5151 E Broadway Blvd #115 Tucson, AZ 85711

Terms	Project
	Cafe Francias- 3855 E Br...

Description	Rate	Prior %	Curr %	Total %	Amount
General Conditions	4,363.54548	69.99%	30.01%	100.00%	1,309.50
Concrete	2,650.00		100.00%	100.00%	2,650.00
Insulation	5,000.00	100.00%	0.00%	100.00%	0.05
Drywall	12,300.123	65.04%	34.96%	100.00%	4,300.00
Flooring	4,334.00		100.00%	100.00%	4,334.00
Painting	3,534.50		100.00%	100.00%	3,534.50
Specialties/FRP/Extinguishers	5,672.50186	44.99%	55.01%	100.00%	3,120.50
Plumbing	27,100.00	70.00%	30.00%	100.00%	8,130.00
HVAC	5,462.91355	70.02%	29.98%	100.00%	1,638.00
Electrical	16,624.99583	70.00%	30.00%	100.00%	4,987.00
Overhead	9,528.28761	64.31%	35.69%	100.00%	3,400.36
Profit	10,481.09956	64.31%	35.69%	100.00%	3,740.39
Accepted Option: Restroom	12,000.00		100.00%	100.00%	12,000.00
				Total	\$53,144.30

Payments/Credits	\$0.00
Balance Due	\$53,144.30



SIGN- UP SIGN SERVICES, IN

1201 E 22nd St
Tucson, AZ 85713
TIM@SIGNUPTUCSON.COM
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Invoice

BILL TO

FURRIER GREG

INVOICE #	DATE	TOTAL DUE		ENCLOSED
9778	07/22/2025	\$652.20		

QTY	ITEM	DESCRIPTION	RATE	AMOUNT
3	BANNER	CAFE FRANCAIS	200.00	600.00T

SUBTOTAL	600.00
TAX	52.20
TOTAL	652.20
BALANCE DUE	\$652.20

EXHIBIT C
MERCHANT INFORMATION GUIDE



Rio Nuevo District Sales Tax Reporting Information

TPT AND TIF INFORMATION FOR RIO NUEVO DISTRICT MERCHANTS
RIO NUEVO MULTIPURPOSE FACILITIES DISTRICT

(520) 623-7336 | 1703 E. Broadway Blvd., Tucson, AZ 85719 | www.RioNuevo.org

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The Rio Nuevo District is an economic development agency that provides long-term growth by helping defray the steep costs of major projects, new development, and property improvements, benefiting the Tucson community.

ABOUT

The Rio Nuevo District is a Tax Increment Finance District (TIF) funded by a share of state sales tax dollars and held accountable to the Arizona State Legislature for use of the funds. In 1999 voters approved the creation of the district that allows TIF funds to be reinvested into the Tucson community. TIF funds are managed by the Rio Nuevo District Board of Directors who as of 2010 are appointed by the State Governor, President of the Senate, and Speaker of the House of Representatives.

In partnership with private sector developers, commercial lenders, real estate investment firms and others, Rio Nuevo invests in projects that expand the tax base and bring people and new businesses to downtown Tucson and the Sunshine Mile. This investment helps to defray the steep costs of projects, events, new development, and property improvements.

Rio Nuevo District's mission is to revitalize downtown Tucson and the Sunshine Mile to create a vibrant, urban environment where residents and visitors can live, stay, work and play.

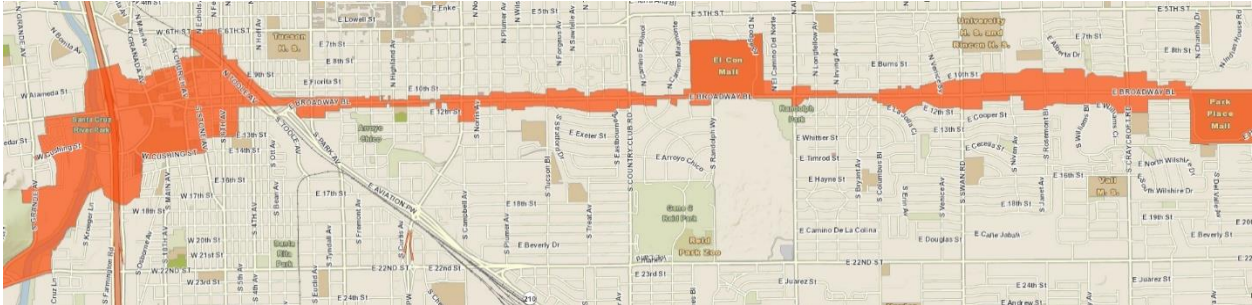
TAX INCREMENT FINANCE (TIF)

A tax increment finance district (TIF) is a public financing method that is used for redevelopment, infrastructure, and other community-improvement projects in many states. TIF funding is generated by growth in sales tax revenues, called the tax increment.

TIF's help local governments attract private development and new businesses by adding more jobs, more customers, and more private investment. TIF's create short- and long-term benefits for communities including:

- No tax increases
- Increased property values
- Private investment and development
- New jobs
- Job retention
- Stronger, broader tax base
- Stronger economic base
- Locally controlled development
- Incremental revenue reinvested into the TIF district
- Stimulates investment outside TIF district boundaries

TIF DISTRICT BOUNDARIES



The TIF District, <https://rionuevo.org/about/tif-district/district-map/>, approximately 7 miles in length, encompasses the Mercado on the west side of I10, downtown Tucson, and Broadway Blvd from downtown to Park Place Mall.

YOUR ROLE

A majority of Rio Nuevo funding is generated by a splitting of the transaction privilege taxes (TPT) paid by District merchants to the Arizona Department of Revenue. Merchants within the District complete sales tax reports by using the code 'PAD' in the Region Code section of the sales tax form. By using code 'PAD' on the form, this instructs the Arizona Department of Revenue to direct funds to Rio Nuevo, which are invested into the community.

Per the Arizona Department of Revenue:

*“Effective October 1, 2002, taxable activity and collections occurring in the Rio Nuevo District must be reported separately. The code **PAD** should be used in place of PMA for all business activity occurring within Rio Nuevo in the Business Classes listed below. Activity will continue to be reported by TPT class. The tax rate applied to **PAD** Business Classes will remain the same as that applied to PMA Business Classes.*

*For example, if your business has activity within the Rio Nuevo District in Pima County and it has taxable retail transactions, that activity should be listed on the TPT-EZ return in **PAD 017** instead of PMA 017. All transactions not located in the Rio Nuevo District should continue to be filed under the specific county code. If your business has multiple locations within Pima County, only the taxable transactions at the locations within the Rio Nuevo District should be filed under **PAD**. All remaining taxable activity should be filed under PMA.”*

This does not increase your tax and does not raise rates.

SALES TAX (TPT)

Transaction Privilege Tax (TPT) is commonly referred to as sales tax and is a tax on a vendor for the privilege of doing business in the state. Various business activities are subject to sales tax and must be licensed.

Form TPT-EZ, <https://azdor.gov/forms/tpt-forms/tpt-ez-transaction-privilege-use-and-severance-tax-return>, is the form that merchants must submit to the Arizona Department of Revenue. And is where the code 'PAD' will be used in the Region Code section.

If you are correctly completing your sales tax reports, we sincerely thank you. If for some reason you are not, we strongly encourage you to correctly complete the TPT Form. Rio Nuevo District staff are available to assist you if you have any questions. You can also amend prior filings for up to four years.

The screenshot shows the Arizona Department of Revenue TPT-EZ form. A red arrow points to the 'PAD' region code in the 'STATE (AZ) COUNTY TRANSACTION DETAIL' table. A red box highlights a text box with the following content:

Business activity and tax collections occurring within the Rio Nuevo District must be reported separately on the State of Arizona TPT-1 Return.

The Region Code "PAD" should be used in the place of "PMA" for all business activity occurring within the Rio Nuevo District. Activities will continue to be reported by TPT class. The tax rate applied to Region Code "PAD" business classes will remain the same as that applied to "PMA" Business Classes.

For example, if your business has retail activity within the Rio Nuevo District in Pima County, that activity should be listed on the State of Arizona TPT-1 Return as "PAD 017" instead of "PMA 017". All transactions not located in the Rio Nuevo District should continue to be filed under the specific county code. If your business has multiple locations within Pima County, only the transactions at the locations within the Rio Nuevo District should be filed under Region Code "PAD". All remaining taxable activity should be filed under "PMA".

NOTE: The deduction amounts that have been listed on the lines in column G must be itemized by category for each region code and business code reported. The total of the amounts listed in Schedule A must equal the total of the Deduction Amounts listed in column G.

SCHEDULE A - DEDUCTION DETAIL INFORMATION
STATE (AZ) COUNTY DEDUCTIONS DETAIL

(A)	(B)	(C)	(D)	(E)	(F)
REGION CODE	BUS. CODE	DEDUCTION CODE	DEDUCTION AMOUNT	DESCRIPTION OF DEDUCTION CODE	
1			\$		
2			\$		
3			\$		
4			\$		
5			\$		
6			\$		
7			\$		
8			\$		
9			\$		
10			\$		
11			\$		
12			\$		
13			\$		
14			\$		
15			\$		
16			\$		
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99			\$		
100			\$		

SCHEDULE A - DEDUCTION DETAIL INFORMATION
CITY DEDUCTIONS DETAIL

(A)	(B)	(C)	(D)	(E)	(F)
LOC. CODE	CITY CODE	BUS. CODE	DEDUCTION CODE	DEDUCTION AMOUNT	DESCRIPTION OF DEDUCTION CODE
1				\$	
2				\$	
3				\$	
4				\$	
5				\$	
6				\$	
7				\$	
8				\$	
9				\$	
10				\$	
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99				\$	
100				\$	

Calculate

ONLINE FILING

If your business reports sales tax online and is not currently using code “PAD” please use the following link to update the Region code: **AZDOR – Updating a TPT Account**

<https://azdor.gov/transaction-privilege-tax/tpt-license/updating-tpt-account>

Detailed instructions to fix your code online is available at: **Step By Step Instructions**

https://azdor.gov/sites/default/files/2023-03/PUBLICATION_TPT_TPT2-stepbystep.pdf

AMENDMENTS

Amendments to sales tax reports can be made by using the TPT-1 form and placing a checkmark in the ‘Amended Return’ box: **AZDOR TPT-1** [https://azdor.gov/forms/tpt-forms/tpt-1-](https://azdor.gov/forms/tpt-forms/tpt-1-transaction-privilege-use-and-severance-tax-return-filing-periods-june-1-2016)

[transaction-privilege-use-and-severance-tax-return-filing-periods-june-1-2016](https://azdor.gov/forms/tpt-forms/tpt-1-transaction-privilege-use-and-severance-tax-return-filing-periods-june-1-2016)

The TIF keeps money in Tucson and allows Rio Nuevo to invest in the community.

OUR ASK

We ask that you assist the Rio Nuevo District by correctly completing your TPT form by using the code ‘PAD’.

RESOURCES

- Arizona Department of Revenue – Taxpayer Education and Information
<https://azdor.gov/taxpayer-education/online-tutorials/tpt-tutorials>
- Arizona Department of Revenue Tax Rate Table
https://modelcitytaxcode.az.gov/Tax_rate/PDF/201909.pdf
- Arizona Department of Revenue – Determine if you are in the Rio Nuevo District
<https://www.aztaxes.gov/Home/Address?Length=13>
- Arizona Department of Revenue – Update Online State/Region Code
<https://azdor.gov/transaction-privilege-tax/tpt-license/updating-tpt-account>

- Arizona Department of Revenue – Amendments to Sales Tax Reports TPT-1 Form
<https://azdor.gov/forms/tpt-forms/tpt-1-transaction-privilege-use-and-severance-tax-return-filing-periods-june-1-2016>
- Rio Nuevo District - Learn more about Rio Nuevo District projects
www.RioNuevo.org

CONTACTS

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If you would like updates on Rio Nuevo projects, please sign up for our board meeting agenda notification at www.RioNuevo.org.