

Pursuant to A.R.S. §38-431.02, notice is hereby given that the Board of Directors of the Rio Nuevo Multipurpose Facilities District will hold the following meeting, which will be open to the public. One or more Board Members may participate in the public session by telephone.

**NOTICE AND AGENDA
FOR MEETING OF THE BOARD OF DIRECTORS OF THE
RIO NUEVO MULTIPURPOSE FACILITIES DISTRICT**

Tuesday, January 24, 2017
1:00 p.m. MST Regular Meeting
Leo Rich Theatre
260 S. Church Ave.
Tucson, Arizona 85701

AGENDA

- 1) **Pledge of Allegiance**
- 2) **Roll Call**
- 3) **Board Meeting Minutes** - Discussion and potential approval of the transcript minutes of the December 13, 2016 meeting.
- 4) **Executive Session (Leo Rich Theatre, Green Room)** - Upon a public majority vote of members constituting a quorum, the Board of Directors may hold an Executive Session. To comply with A.R.S. §38-431.03(B), all electronic devices, including cell and smart phones, iPads, notebooks, tablets and laptops shall be turned off and stored during Executive Session. During this Executive Session, the following matters will be addressed:
 - a) Pursuant to A.R.S. §38-431.03(A)(3), (4) & (7) the Board will discuss with, consult with, obtain legal advice from and may instruct its attorneys regarding the status of the District's Purchase Agreement with the City of Tucson ("City") for the acquisition of the 7.85 acres of real property upon which the District will be constructing the "Headquarters" for Caterpillar's Surface Mining & Technology Division ("SM&T").
 - b) Pursuant to A.R.S. §38-431.03(A)(3) and (4) the Board will discuss with, consult with, obtain legal advice from and may instruct its attorneys regarding the status of the process of selecting the professional design team for the SM&T Headquarters facility.
 - c) Pursuant to A.R.S. §38-431.03(A)(3) and (4) the Board will discuss with, consult with, obtain legal advice from and may instruct its attorneys regarding the status of the process of selecting the construction manager at risk ("CM@Risk") for the construction of the SM&T Headquarters facility.
 - d) Pursuant to A.R.S. §38-431.03(A)(3) and (4) the Board will discuss with, consult with, obtain legal advice from and may instruct its attorneys regarding the status of the process of financing the \$43 million "Building Budget" design and development of the SM&T Headquarters facility.

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e) Pursuant to A.R.S. §38-431.03(A)(3) and (4) the Board will discuss with, consult with, obtain legal advice from and may instruct its attorneys regarding the status and options for financing the financial commitments being required of the District beyond the SM&T Building Budget (“Additional Expenses”).

f) Pursuant to A.R.S. §38-431.03(A)(3), (4) & (7), the Board will discuss with, consult with, obtain legal advice from and may instruct its attorneys regarding the status of the Option Agreement with Pima County regarding the approximate 2-acre parcel at the corner of Cushing Street and the I-10 frontage road in downtown Tucson (“Cushing Street Parcel”).

g) Pursuant to A.R.S. §38-431.03(A)(3), (4) & (7), the Board will discuss with, consult with, obtain legal advice from and may instruct its attorneys regarding the City Park agreements and status of the pre-closing conditions required of the developer.

h) Pursuant to A.R.S. §38-431.03(A)(1), the Board will discuss with, consult with, obtain legal advice from and may instruct its attorneys regarding the terms of employment for its Administrative Director and personnel policies related to employee benefits.

i) Pursuant to A.R.S. §38-431.03(A)(3), (4) & (7), the Board will discuss with, consult with, obtain legal advice from and may instruct its attorneys regarding the status of the Sunshine Mile and legal agreements required in order to consider the repurposing of approximately 50 properties affected by the Broadway widening.

j) Pursuant to A.R.S. §38-431.03(A)(3), (4) & (7), the Board will discuss with, consult with, obtain legal advice from and may instruct its attorneys regarding status of the District’s agreement pursuant to which Nor-Generations, LLC (“Nor-Gen”) purchased and agreed to develop the property located at 419 W. Congress in Tucson (“Arena Site”).

k) Pursuant to A.R.S. §38-431.03(A)(3), the Board will consult and discuss with its attorneys about the legal implications of HB 2213 which is currently pending in the legislature.

5) **Chairman’s Remarks** - The Chairman will provide a brief update on relevant current events, which update may include Board membership, downtown activity, legislative activity and development pipeline.

6) **Financial Report – Update & Discussion Only**

The District’s CFO Daniel Meyers will provide the Board with an update on the District’s cash positions and related financial issues and will respond to inquiries from the Board.

7) **Nova Home Loans Arizona Bowl – Possible Action**

The Board will hear from Bowl representatives about the impact of the Bowl, especially downtown, and the status for next year. The Board may vote to take action based upon such discussion

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which could include directing staff, counsel and/or the executive officers to prepare, finalize and execute such documents that may be necessary for the Board to continue its support of the Bowl.

8) Purchase of SM&T Headquarters Parcel – Possible Action

The Board will receive an update from counsel on the status of the Board's purchase of the 7.85-acre parcel from the City. Based upon such update and the following discussion, the Board may vote to take action which could include directing staff, counsel and/or the executive officers to prepare, finalize and execute any and all documents necessary to complete such purchase.

9) Development Agreement for SM&T Headquarters Facility – Possible Action

The Board will hear an update on the efforts by representatives of Caterpillar, the SM&T Division and the Board to prepare a Development Agreement that includes as exhibits the attendant budget and lease of the facility. Based upon such update and the following discussion, the Board may vote to take action which could include directing staff, counsel and/or the executive officers to prepare, finalize and execute the Development Agreement.

10) Design Professional for SM&T Headquarters – Possible Action

The Board will receive a progress report on its RFQ for the design professional team for the SM&T Headquarters building. Based upon such update and the following discussion, the Board may vote to take action which could include directing staff, counsel and/or the executive officers to finalize and execute the contract with the selected design team.

11) CM@Risk for SM&T Headquarters – Possible Action

The Board will receive a progress report on its RFQ for the CM@Risk for the SM&T Headquarters building. Based upon such update and the following discussion, the Board may vote to take action which could include directing staff, counsel and/or the executive officers to finalize and execute the contract with the selected CM@Risk.

12) Contract for Geotechnical Services – Possible Action

The Board will hear an update on the need for a geotechnical services contract in connection with the construction of the SM&T Headquarters. Based upon such update and the following discussion, the Board may vote to take action which could include directing staff, counsel and/or the executive officers to prepare and issue requests for proposals or qualifications for such services.

13) Additional Costs for SM&T Headquarters – Possible Action

In addition to the cost of acquiring the SM&T Headquarters property and the Building Budget, the District is being asked to pay and/or absorb various additional expenses including relocating a sewer line, remediating the landfill on and within 100 feet of the Headquarters site, and improving the access to the Headquarters. The Board will consider and discuss each of these issues and based upon

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such discussion may vote to take action on any or all of these Additional Expenses, which action may include directing staff, counsel and/or the executive officers to negotiate, draft, finalize and execute the agreements and/or procurement requests necessary to proceed in accordance with the Board's wishes.

14) Financing Options for SM&T Headquarters – Possible Action

The Board will discuss the options for financing both the SM&T Building Budget as well as the Additional Expenses likely to be incurred by the District in the construction of the Headquarters. Based upon such discussion, the Board may vote to take action which could include directing staff, counsel and/or the executive officers to take the actions necessary to advance these financing efforts.

15) City Park – Possible Action

The Board will hear an update on this project from its attorney, which update will include a discussion of the status of the various agreements that, when executed, will define the go-forward relationship between the developer and the District. Such agreements include a Lease, a Promissory Note, a Deed of Trust and an Economic Development Agreement. Based upon such update, the Board may vote to take action which could include authorizing staff, counsel and/or the executive officers to take the actions necessary to finalize and execute some or all of such agreements.

16) Sunshine Mile – Possible Action

The Board will consider and discuss the status of the executive officers' efforts to work with the City and the RTA to acquire from the City and repurpose certain properties that the City acquires in its widening of the Broadway corridor. Based upon such discussion, the Board may vote to take action which could include directing staff, counsel and/or the executive officers to pursue the acquisition of one or more parcels from the City.

17) Cushing Street Parcel – Possible Action

The Board has entered into an agreement with the County that, upon certain conditions, gives the Board the option to enter into a ground lease for and to develop the Cushing Street Parcel. The Board will hear an update on the interest that has been expressed by a third party to partner with the District in such development. Based upon such update, the Board may vote to take action which could include authorizing staff, counsel and/or the executive officers to negotiate, draft, finalize and execute the agreements necessary to advance the Board's wishes.

18) Nor-Gen – Possible Action

In September/October of 2015, escrow closed on the District's sale of the Arena Site to Nor-Gen. Counsel will provide the Board with an update on that sale including the Board's rights, risks and remedies. Based upon such update, the Board may vote to take action which could include authorizing staff, counsel and/or the executive officers to negotiate, draft, finalize and execute the agreements necessary to advance the Board's wishes.

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19) Gadsden – Possible Action

Counsel will provide an update and respond to questions on the progress that Gadsden has made in closing the construction loan that is contemplated by the Purchase / Lease / Option Agreement with the District and related matters. Based upon such update and discussions, the Board will discuss and may vote to take action which could include directing the executive officers, staff and/or counsel to take any and all actions necessary to advance this project.

20) Gus Taylor Addition to Chicago Store Deal – Possible Action

At its October 25, 2016 meeting, the Board authorized the executive officers to negotiate, finalize and execute an agreement to provide \$1.4 million to assist developers Ron Schwabe and Marcel Dabdoub in their renovation and improvement of the “Chicago Store” located at 45 S. Sixth Avenue. Messrs. Schwabe and Dabdoub will make a presentation to the Board to increase the financial assistance from the Board so that they can expand the project to include the adjacent “Gus Taylor” building at 128 E. Congress. The Board will discuss such presentation and may vote to take action which could include authorizing staff, counsel and/or the executive officers to take any and all actions necessary to grant this request.

21) Employment of Administrative Director – Possible Action

The Board has solicited applicants to fill the Administrative Director position that became vacant on the resignation of Michele Bettini. Acting on the Board’s instructions, the Executive Officers ultimately selected and, subject to Board approval, have hired Brandi Haga-Blackman as the Board’s new Administrative Director. The Board will discuss this process and is expected to vote to confirm and to ratify Ms. Haga-Blackman’s employment as Administrative Director.

22) Tucson Convention Center Retail Incentives – Possible Action

At its January 12, 2016 meeting, the Board approved a one-year program in which it would rebate a portion of the state sales tax generated by users of the TCC provided that a certain threshold was met. The Board will hear an update on the status of that program. The Board will discuss the possibility of renewing, extending or modifying the program and based upon such update and discussion may vote to take action which could include directing staff, counsel and/or the Chairman and Secretary to prepare and execute the agreements necessary to extend this program.

23) Call to the Audience

Presentations are limited to three (3) minutes per speaker for a total of fifteen (15) minutes. All individuals interested in speaking must submit a Speaker’s Card that will be made available at the meeting.

24) Adjourn