RESOLUTION NO. 2008-01

RESOLUTION OF THE RIO NUEVO MULTIPURPOSE FACILITIES DISTRICT APPROVING AND AUTHORIZING THE ISSUANCE, SALE AND DELIVERY OF ITS SUBORDINATE LIEN EXCISE TAX REVENUE BONDS, SERIES 2008, IN AN AGGREGATE ORIGINAL PRINCIPAL AMOUNT NOT TO EXCEED $80,000,000; APPROVING THE FORM OF THE BONDS; APPROVING AND AUTHORIZING THE EXECUTION AND DELIVERY OF A MASTER TRUST INDENTURE, A FIRST SUPPLEMENTAL TRUST INDENTURE, A FIRST AMENDMENT TO INTERGOVERNMENTAL AGREEMENT, A BOND PURCHASE AGREEMENT, A CONTINUING DISCLOSURE UNDERTAKING, PRELIMINARY AND FINAL OFFICIAL STATEMENTS AND ALL OTHER AGREEMENTS AND INSTRUMENTS REQUIRED FOR THE ISSUANCE AND SALE OF THE BONDS; APPROVING AND AUTHORIZING THE ACQUISITION AND CONSTRUCTION OF CERTAIN INFRASTRUCTURE PROJECTS AND CAPITAL IMPROVEMENTS FOR THE DISTRICT; AND DECLARING AN EMERGENCY

WHEREAS, the Rio Nuevo Multipurpose Facilities District (the "*District*") was organized on July 19, 1999 by the City of Tucson, Arizona (the "*City*") and the City of South Tucson, Arizona, as a tax-levying public improvement district and a political taxing subdivision of the State of Arizona (the "*State*"), for the purposes of acquiring, constructing and developing certain multipurpose facilities (the "*Multipurpose Facilities*") on certain real property located in the City (the "*Multipurpose Facility Site*"), pursuant to Section 48-4201 *et seq.* of the Arizona Revised Statutes; and

WHEREAS, pursuant to Section 42-5031 of the Arizona Revised Statutes, the District is entitled to receive from the State and, pursuant to Section 48-4203 of the Arizona Revised Statutes, the District is authorized to use, certain excise tax revenues (the "*District Excise Tax Revenues*") to construct, finance, furnish, maintain, improve, operate, market and promote the use of Multipurpose Facilities and other structures necessary for full use of the Multipurpose Facilities and to pledge the District Excise Tax Revenues to secure the District's bonds or other financial obligations issued or incurred for the acquisition or construction of any or all such Multipurpose Facilities; and

WHEREAS, the District now desires to acquire or construct certain Multipurpose Facilities within the District, as more fully described on Exhibit A attached hereto (collectively, the "*2008 Project*"); and

WHEREAS, the 2008 Project constitutes secondary components of a Multipurpose Facility, within the meaning of Section 48-4201 of the Arizona Revised Statutes, (i) located on the Multipurpose Facility Site, (ii) owned or leased, or to be owned or leased, by the District or other public entities and (iii) consisting of on-site infrastructure, artistic components, parking garages and lots, public parks and plazas, and related commercial facilities; and

WHEREAS, in order to finance the acquisition and construction of the 2008 Project, the District proposes to issue and sell its Subordinate Lien Excise Tax Revenue Bonds, Series 2008, in an aggregate original principal amount not to exceed $80,000,000 (the "*Bonds*"); and

WHEREAS, the Bonds will be issued pursuant to a Master Trust Indenture, dated as of December 1, 2008 (the "*Master Trust Indenture*"), between the District and Wells Fargo Bank, N.A., as trustee (the "*Trustee*"), and a First Supplemental Trust Indenture, dated as of December 1, 2008 (the "*First Supplement*"), between the District and the Trustee, and payable, together with any obligations of the District hereafter issued on a parity therewith, from and secured by a pledge of the District Excise Tax Revenues on a basis junior and subordinate to any obligations of the District payable from and secured by a senior pledge of the District Excise Tax Revenues that may hereafter be issued by the District pursuant to the Master Trust Indenture (the "*Senior Bonds*"); and

WHEREAS, a portion of the debt service on the Bonds may be paid by the City, to the extent required, as part of its obligation pursuant to Section 42-5031.D of the Arizona Revised Statutes and the Intergovernmental Agreement (Relating to Rio Nuevo Multipurpose Facilities District), dated as of February 1, 2000, between the District and the City, as amended by the First Amendment to Intergovernmental Agreement, dated as of December 1, 2008 (the "*IGA Amendment*"), between the District and the City; and

WHEREAS, the Bonds will be sold to Piper Jaffray & Co., Inc. and Stone & Youngberg LLC, as underwriters (together, the "*Underwriters*"), pursuant to a bond purchase agreement (the "*Bond Purchase Agreement*") to be dated the date of execution between the District and the Underwriters; and

WHEREAS, the District has previously entered into a separate master trust indenture pursuant to which it has pledged the District Excise Tax Revenues as security for its master promissory note securing the District's obligations pursuant to a Loan Agreement, dated as of November 1, 2005, between The Industrial Development Authority of the City of Tucson, Arizona (the "*Authority*") and the District relating to $5,800,000 in aggregate original principal amount of the Authority's Junior Lien Excise Tax Revenue Bonds (Rio Nuevo Multipurpose Facilities District - Fox Theatre Project), Taxable Series 2005 (the "*Prior Bond Obligation*"), of which $4,175,000 is currently outstanding; and

WHEREAS, the District's obligation to pay the Prior Bond Obligation is senior to the District's obligation to pay any bonds issued pursuant to the Master Trust Indenture, including the Bonds,

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE RIO NUEVO MULTIPURPOSE FACILITIES DISTRICT AS FOLLOWS:

Section 1. The Board of Directors of the District hereby finds and determines that it will be beneficial and consistent with the purposes and authority of the District to undertake the 2008 Project and, for such purpose, to enter into, execute, deliver and perform the Master Trust Indenture and the First Supplement, each substantially in the forms attached hereto as Exhibit B and Exhibit C, respectively, which are hereby approved, and other related agreements with the City and the Trustee, pursuant to which the District will issue, sell and deliver the Bonds in an aggregate original principal amount not to exceed $80,000,000, in accordance with the Bond Purchase Agreement in substantially the form attached hereto as Exhibit D, and apply the proceeds of the Bonds to acquire or construct the 2008 Project, to establish a debt service reserve fund, to capitalize interest for a period of up to three years and to pay all legal costs and expenses, financial advisory fees and other issuance costs of the District, including, without limitation, the purchase of a surety bond in lieu of a cash-funded debt service reserve fund and the payment or reimbursement of certain costs and expenses incurred by the City in connection with the acquisition and construction of the 2008 Project and the issuance of the Bonds in furtherance of the purposes of the District.

Section 2. The Bonds will be substantially in the form attached to the Master Trust Indenture, will be dated the date of initial delivery, will be issued as fully registered bonds in book-entry form, without coupons, in the denomination of $5,000 each or any integral multiple thereof, will bear interest from the date thereof to the maturity (or prior redemption) of each Bond at the rate or rates to be established at the time of sale but not to exceed eight percent (8%) per annum, payable on July 15, 2009, and semiannually on each January 15 and July 15 thereafter during the term of the Bonds and maturing on July 15 each year, commencing not later than July 15, 2011, with a final maturity not later than July 15, 2025.

Section 3. The Bonds will be secured, in part, by the obligations of the City pursuant to Section 42-5031.G of the Arizona Revised Statutes and the Intergovernmental Agreement (Relating to Rio Nuevo Multipurpose Facilities District), dated as of February 1, 2000, between the District and the City, as amended by the IGA Amendment, in substantially the form attached hereto as Exhibit E.

Section 4. The Bonds will be subject to redemption prior to maturity without premium at the option of the District after not more than ten (10) years and the Bonds maturing on or after July 15, 2018 may be subject to mandatory sinking fund redemption without premium on dates and to the extent set forth in the Bond Purchase Agreement executed by the District and the Underwriters.

Section 5. The Bonds will be initially sold and delivered to the Underwriters pursuant to the Bond Purchase Agreement at a price equal to the principal amount of the Bonds less an original issue discount not to exceed two percent (2%) and an underwriters' discount not to exceed one percent (1%), and in accordance with an Official Statement (the "*Official Statement*"), in substantially the form of the Preliminary Official Statement attached hereto as Exhibit F, with such changes therein as may be required or appropriate to reflect the final terms of sale as set forth in the executed Bond Purchase Agreement.

Section 6. The appropriate officials of the District are hereby authorized, empowered and directed, pursuant to the authority contained in the Master Trust Indenture and the First

Supplement, to pay the principal of, premium if any, and interest on the Bonds when due but, except as provided in the IGA Amendment, solely from and secured solely by the District Excise Tax Revenues on a parity with any obligations hereafter issued on a parity therewith and on a basis junior and subordinate to the District's obligations with respect to the Prior Bond Obligation and any Senior Bonds of the District issued pursuant to the Master Trust Indenture in the manner and at the time and place described in the Master Trust Indenture and the First Supplement.

Section 7. The form of the Bonds attached to the Master Trust Indenture is hereby approved, with such changes, completions and insertions as are necessary and appropriate for the preparation and delivery of the Bonds in accordance with the provisions of the Master Trust Indenture and First Supplement.

Section 8. All of the Bonds will be executed on behalf of the District by the manual or facsimile signature of the Chair of the District and attested by the manual or facsimile signature of the Treasurer of the District. In case any officer whose manual or facsimile signature appears on any of the Bonds ceases to be such officer before the Bonds are issued, authenticated and delivered, such Bonds will, nevertheless, be valid and binding obligations of the District, and may be issued and delivered by the District with the same effect, as though the person whose manual or facsimile signature appears on such Bonds had not ceased to be such officer.

Each of the Bonds will bear a certificate of authentication substantially in the form set forth in the form of the Bonds attached to the Master Trust Indenture. No Bond will be valid or obligatory for any purpose or entitled to any security or benefit pursuant to the Master Trust Indenture unless and until the Bond Registrar (as defined in the Master Trust Indenture) has duly executed such certificate of authentication by the manual signature of an officer or other authorized representative thereof. A manually executed certificate of authentication appearing on any Bond will be conclusive evidence that such Bond has been authenticated and delivered pursuant to the Master Trust Indenture. The certificate of authentication on any Bond will be deemed to have been executed by the Bond Registrar if signed by an authorized officer or representative of the Bond Registrar, but it is not necessary that the same officer or representative sign the certificate of authentication on all of the Bonds issued pursuant hereto.

Section 9. Following the authentication and delivery of the Bonds and receipt of the proceeds of the Bonds by the District, this Resolution will be and remain irrevocable until the Bonds and the interest thereon, and the obligations of the District pursuant to the Master Trust Indenture and the First Supplement, have been fully paid, canceled and discharged.

Section 10. Each of the Chair, the Secretary and the Treasurer (each an "*Authorized Officer*") of the District is authorized and empowered for and on behalf of the District to take such actions and to execute, attest, as appropriate, and deliver such agreements, instruments and certificates, as may be necessary and appropriate in the judgment of the Authorized Officer taking such action or executing and delivering such agreement, instrument or certificate, to consummate the transactions approved and authorized herein, including the Master Trust Indenture, the First Supplement, the IGA Amendment, the Official Statement, the Bond Purchase Agreement and a Continuing Disclosure Undertaking, in substantially the form attached to the First Supplement, to be executed and delivered by the District to the Underwriters to enable the

Underwriters to comply with their obligations pursuant to Rule 15c2-12 promulgated pursuant to the Securities and Exchange Act of 1934, as amended (the "*Rule*"), each in substantially the respective form thereof attached hereto or with such changes not inconsistent with the provisions of this resolution as may be approved by the Authorized Officer executing and delivering the same on behalf of the District, such execution and delivery to evidence conclusively the necessity therefore and the appropriateness and approval thereof.

Section 11. In connection with the offering for sale of the Bonds, the distribution by the Underwriters of the Preliminary Official Statement in substantially the form thereof presented to this meeting and attached hereto as Exhibit F is hereby approved, and the Official Statement, in substantially the form of the Preliminary Official Statement, with such changes or revisions therein from the form of the Preliminary Official Statement as may be necessary to conform to the Bond Purchase Agreement as executed and as may be approved by the Authorized Officer executing the Official Statement, is hereby approved, and any Authorized Officer is hereby authorized and empowered, in the name and on behalf of the District, to execute and deliver a certificate or other evidence confirming that the applicable Preliminary Official Statement is "deemed final" in accordance with the Rule.

Section 12. All actions heretofore and hereafter taken pursuant to the authority hereof are hereby authorized, ratified and approved for and as the actions of the District.

Section 13. If any section, paragraph, clause or provision of this Resolution is for any reason held or determined to be invalid or unenforceable, the invalidity or unenforceability of such section, paragraph, clause or provision will not affect any of the remaining provisions hereof.

Section 14. The provisions of any ordinances and resolutions of the District, or parts thereof, inconsistent with the provisions of this Resolution, as heretofore and hereafter amended, are hereby waived to the extent of such inconsistency.

[Signatures on following page]

Section 15. The immediate operation of the provisions of this Resolution are necessary for the preservation of the public peace, health and safety of the District. Accordingly, an emergency is hereby declared to exist and this Resolution will be in full force and effect from and after its passage, adoption and approval by the Board of Directors of the District and is therefore exempt from the referendum provisions of State law.

PASSED, ADOPTED AND APPROVED this 2nd day of December, 2008.

RIO NUEVO MULTIPURPOSE FACILITIES DISTRICT

By: _____

Name: Anne Marie Russell

Its: Chair

ATTEST:

By: _____

Name: JEFF DiGREGORIO

Its: Secretary

APPROVED AS TO FORM:

By: _____

Name: William A. Hicks III

Its: District Counsel

EXHIBIT A TO RESOLUTION NO. 2008-01

Title	Estimated Amount
Mission San Agustin Gardens Project	$3,000,000.00
Mission Landfill	5,400,000.00
Civic Center Projects	10,000,000.00
Downtown Infrastructure Projects	6,000,000.00
Depot Plaza Parking Garage	11,600,000.00
Depot Plaza Public Improvements	1,400,000.00
UA Science Center/ AZ State Museum	2,000,000.00
Arizona History Museum	3,000,000.00
Tucson Children's Museum (Design)	1,200,000.00
Cushing Street Bridge & Roadways	1,600,000.00
Clark Street Underpass Repayment	9,000,000.00
Barrio Viejo	2,000,000.00
Barrio Sin Nombre	2,000,000.00
Partial Repayment of City Loan	6,800,000.00