Minutes of the Rio Nuevo Multipurpose Facilities District Board

May 8, 2002 at the Tambo Room of the Radisson Hotel, 181 West Broadway, Tucson, Arizona.

1. Roll Call

Chair Suarez called the meeting to order at 7:10 pm. Alice Eckstrom, Corky Poster and Ruben Suarez present, Olivia Hernandez was absent/excused. Staff present: John Jones, Project Director, John Updike, Project Manager, Kay Gray, Treasurer to the Board, Frank Cassidy of the City Attorney's Office, Bill Hicks, Esq., representing Counsel to the Board, Kenna Smith of the Mayor's Office, Marty McCune, Historic Program Administrator, and John Alexander, Department of Transportation.

2. Approval of Minutes of March 13, 2002

Mr. Poster moved, Ms. Eckstrom seconded, to approve the minutes. Motion approved unanimously, 11-0.

3. Scope of Services: Interpretative Plan Approval

Mr. Jones reviewed the April 25, 2002 memorandum from Marty McCune and the outcome from the public meeting held last evening on this topic at the Temple of Music and Art, attended by at least 200 people. Ms. McCune elaborated on the memo and the event last night. Ms. McCune then reviewed the interpretive themes and elements outlined in the memo, with a focus on outreach efforts, management structures and actual facility components. The Rio Nuevo CAC also asked that the Rio Nuevo criteria be incorporated into the final document. Mr. Poster asked what kind of firms do this kind of work? Ms. McCune noted that there are firms, nationally and internationally, that specialize in the field.

This item will return to both the Board and the CAC for final approval in June before issuance to the community. Mr. Poster asked what type of product would be produced as a result of this effort? Mr. McCune noted that the deliverables need to be further detailed. The key deliverable would be an architectural program. Public involvement will be a specific rating criteria, as the respondent will be asked to properly address this issue. Mr. Poster asked what the next steps would be. Ms. McCune and Mr. Jones replied that first the plan would be completed, then design completed, then construction would commence.

4. Lease of 52 W. Congress Approval

Mr. Updike reviewed the contents of the memorandum to the Board. ***Ms. Eckstrom moved, and Mr. Poster seconded approval of a lease 52 West Congress at a market rate with appropriate terms and conditions. Motion approved unanimously, 11-0.***

5. **Acquisition of Citizen Auto Stage Approval**
Mr. Updike reviewed the contents of the memorandum to the Board. Mr. Poster asked for the expected total expenditure on this project. Mr. Updike indicated a likely total, inclusive of acquisition, relocation, exchange and demolition, would be $1,300,000. ***Mr. Poster moved, and Ms. Eckstrom seconded approval of the acquisition of Lots 9 and 10 in Alvernon Corners at a price not to exceed $820,000 to facilitate the relocation of Citizen Auto Stage. Motion approval unanimously, 11-0.***

6. **Rio Nuevo Downtown Zone (Information)**
Mr. Jones provided an update on various proposed regulatory changes, referring primarily to the table identified as 4/12 in the staff transmittal, entitled "Downtown Development Incentives". Mr. Poster asked for clarification on the map titled, "Public Ownership in Rio Nuevo Downtown Zone". Historic Districts were purposefully excluded from the zone, as existing processes and guidelines already apply there. Mr. Jones also outlined the various geographic layers of regulations and incentives. The website currently under construction will allow a user to clearly identify all key aspects of regulatory effects to each property in the downtown area. Mr. Poster expressed concern about the lack of simplicity regarding this effort.

7. **Project Update**
a) Aquarium Feasibility Study (Information)
Mr. Jones noted that the feasibility study will likely be completed by September of this year, and information on that study will be provided as soon as it is available.

8. **Draft for FY 2003 Budget**
Mr. Jones outlined the budget proposal provided in the agenda package. At the June meeting of the Board, a public hearing on the budget will be held, with an itemized budget provided. Mr. Fernando Castro of the City of South Tucson asked whether or not the payment of $250,000 to South Tucson was included in the draft budget. Mr. Jones indicated that it was. Mr. Jones, in response to another query, indicated that the debt service payments regarding the Tucson Convention Center was shown under "other", a line item under the category "Character of Expenditures".

9. **Rio Nuevo Project Process/Procurement Policies**
Mr. Jones outlined the copy of the April 15, 2002 memo to Mayor and Council on this matter, provided in the agenda package. City Attorney and Board Counsel are researching the possible parameters of Board policy development in this area. Mr. Hicks noted that, as an example, anti-discrimination policies are predicated on prior documented discrimination. Given the District's relatively recent formation, this may pose an obstacle to implementing an anti-discrimination policy. Other statutory matters may also affect the Board's ability to act in this regard. A comprehensive and comprehensible legal paper will be provided to the Board as a guide for further discussion. Mr. Poster asked what transpired during the Mayor and Council meeting.

Mr. Jones indicated that the Mayor and Council desired to better understand the Procurement Code, the City process of procurement, and the level and timing of public and governing body involvement in that process. Additionally, staff provided an explanation of the differences between the Code and Council policies – not all of which can be easily translated to become Board policies (as outlined herein by Mr. Hicks).

10. Engineering Contract Approval

Mr. Jones reviewed the May 5, 2002 memo to the Board seeking $439,745 for design services, through a contract with a consultant engineering firm. Mr. Alexander noted the early planning issues involved in this project, and the original estimate of $650,000 for total costs to complete the planning and design of the project. The phase I portion of the project was contracted for an amount of $450,000. This contract phase (II) is 10% of the estimated construction costs for the project. Mr. Poster asked whether this expense would be a match by the City of Tucson, or a repayment owed by the District at the time TIF revenues are received by the District. Ms. Gray indicated that either scenario is possible. ***Ms. Eckstrom moved, and Mr. Poster seconded approval of a contract in the amount of $439,745.00 for various design costs as outlined in the May 5, 2002 memorandum to the Board. Motion approved unanimously, 11-0.***

11. Next Meeting

The next meeting date is June 12, 2002. As the budget is an item for formal consideration at that time, a public hearing would be held on that matter. The meeting would begin at 6:00 pm. The meeting would be held at the Radisson Hotel.

12. Future Agenda Items

The following items were noted as future agenda items: Interpretative Plan, Aquarium Feasibility Study, Fox Theatre Application, Budget for Next Fiscal Year, U of A Science Center Application and an Update on Housing Projects.

13. Call to the Audience

No one chose to speak.

14. Adjournment

Ms. Eckstrom moved for adjournment at 8:10 pm, seconded by Mr. Poster and unanimously approved.

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