Minutes of the Rio Nuevo Multipurpose Facilities District Board

June 11, 2003 at the Rio Nuevo Community Meeting Room, 52 West Congress, Tucson, Arizona.

1. Roll Call

Chair Suarez called the meeting to order at 6:15 pm. Olivia Hernandez, Corky Poster and Ruben Suarez present. Alice Eckstrom was absent/excused.

Staff present: Karen Thoreson, Project Director, John Updike, Project Manager, William Hicks, Counsel to the District Board, Arinda Asper, Management Assistant, Lucy Amparano, Project Manager, Karen Leone, Project Manager, and Kenna Smith of the Mayor's Office.

2. Approval of Minutes of April 9, 2003

Typographical errors were read into the record to correct the minutes. As presented and revised, ***Mr. Poster moved, Ms. Hernandez seconded, to approve the minutes. Motion approved unanimously, 11-0.***

3. **Rio Nuevo Budget for FY 2004**

Ms. Thoreson reviewed the budget contained in the agenda package, and the projects as listed on the final page of that package. Mr. Poster inquired as to the allocation of funds toward the Plaza San Agustin project, and Ms. Thoreson indicated that the project does not have a specific allocation of funds in this budget. Mr. Poster asked about the status of the Science Center feasibility study expenditures to date, and Ms. Thoreson indicated that approximately $186,000 had been spent to date of the $250,000 allocated.

Mr. Poster moved, Ms. Hernandez seconded, that the public hearing be opened. Motion approved unanimously, 11-0. No one in the audience desired to speak on this matter. ***Mr. Poster moved, Ms. Hernandez seconded, that the public hearing by closed, and the regular meeting resumed. Motion approved unanimously, 11-0. Mr. Poster moved that the budget as presented be approved. Ms. Hernandez seconded. Motion approved unanimously, 11-0.***

4. Fox Foundation – Acquisition of 27 West Congress and Authority to Consent to Sub-Tenant (Italian Kitchen)

Mr. Updike made a brief presentation regarding the status of the acquisition and the hold-over tenancy of Italian Kitchen. Mr. Poster asked that the Board be kept updated on the status of the relocation of this business. ***Mr. Poster moved that the Board consent to a lease agreement between the District and the Italian Kitchen as outlined in the agenda package. Motion seconded by Ms. Hernandez. Motion approved unanimously, 11-0.***

5. Notification to Board of Appointment of Karen Thoreson as Project Director

Ms. Thoreson reviewed the memorandum provided to the Board announcing her appointment, and also reviewed the upcoming staff changes in the Rio Nuevo Office, as a result of the retirement of Arinda Asper and Amanda Castillo, effective Friday, June 13.

Mr. Poster thanked Ms. Asper and Ms. Castillo for their hard work. No action taken nor required.

6. Thrifty Agreement
Mr. Updike reviewed the status of negotiations with the United States General Services Administration. Mr. Poster expressed concern regarding the US-GSA's requirement to eliminate balconies and windows with direct exposure to the Walsh Building.

Mr. Poster moved, Ms. Hernandez seconded the motion, to authorize the Project Director to execute all documents necessary to effect a sale of the remainder property known as the Thrifty Block (approximately 17,100 square feet in size) to the District as appropriate. Motion approved unanimously, 11-0.

7. Authority for Board to hire Development Corporation
Ms. Thoreson reviewed the information in the agenda package. Mr. Poster queried Ms. Thoreson regarding various aspects of the proposal. Mr. Poster expressed particular concern regarding Mr. Warne's involvement in the contract, that Mr. Warne's other ventures to develop downtown property not be impeded due to conflict of interest issues. Ms. Thoreson indicated that situation would be closely monitored. ***Mr. Poster moved approval to authorize the Board Chairman to execute the contract with Business Development Finance Corporation as presented by the Procurement Director. Motion seconded by Ms. Hernandez. Motion approved unanimously, 11-0.***

8. West Congress RFP
Mr. Updike provided a brief review of the status of the request for proposals, due for issuance next week. Mr. Poster asked that some public process be employed to review proposals, to solicit public input for consideration by the committee making a final recommendation. No action taken nor required.

9. Next Meeting
August 13, 2003 was established as the next meeting date.

10. Future Agenda Items
Mr. Poster asked that the contract with the consultant attorney be placed on the next agenda, and that a copy of the existing contract be provided to the Board in advance of the meeting. Additionally, Mr. Poster asked that the next meeting be held in South Tucson, now that the Intergovernmental Agreement has been modified to allow the Board to hold meetings in South Tucson.

11. Call to the Audience
No one chose to speak.

12. Adjournment
Ms. Hernandez moved for adjournment at 7:15 pm, seconded by Mr. Poster and unanimously approved, 11-0.