Minutes of the Rio Nuevo Multipurpose Facilities District Board

June 12, 2002 at the Forum Room of the Tucson Convention Center, 260 South Church Avenue, 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: Kay Gray, Finance Director, City of Tucson, John Jones, Project Director, John Updike, Project Manager, Frank Cassidy of the City Attorney's Office, William Hicks, Counsel to the District Board, and Marty McCune, Historic Program Administrator of the City.

2. Approval of Minutes of May 8, 2002

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

3. Budget Fiscal Year 2003

Mr. Jones announced that this is an advertised public hearing regarding the budget. Mr. Jones briefly reviewed the budget elements contained in the agenda package and budget breakdown. The proposed fiscal year 2003 budget totals $19,007,380, with 5.25 permanent staff positions. Mr. Suarez asked for the timing for the relocation of the office, which is programmed to occur this fall.

Mr. Suarez asked for an update on the Citizen Auto Stage relocation project. Mr. Jones noted that negotiations continue regarding the relocation, and sufficient funds are included in the budget to cover anticipated costs regarding that project during the coming fiscal year.

Mr. Suarez asked if we would begin these projects during the coming fiscal year. Mr. Jones indicated that staff did anticipate commencement during FY 2003, thus these elements are included in the recommended budget.

Mr. Poster noted that $4.7 million of the budget is actually just passing through this budget, and a carry-forward of about $3 million from the prior fiscal year is also included in the budget, due to certain project delays. Mr. Poster noted that the personnel count increases to 5.25, and asked if those would likely be City employees. Mr. Jones indicated that likely, yes, those positions would be City employees, but there is some flexibility with respect to that process. Mr. Poster noted that the overall scope of each element, which may run over several years, is not outlined in the budget document. As project applications are submitted and approved, those issues will be better addressed. Mr. Poster asked when the funding would likely be initiated for the District. Mr. Jones indicated that during the first half of the coming fiscal year, that initiation would likely commence.

The public hearing was opened at 6:30pm. Mr. Don Durband of the Tucson Downtown Alliance (TDA) spoke. Mr. Durband indicated that the TDA and the downtown community are anxiously awaiting the project's implementation, and that it is important to take the next steps necessary to facilitate the project. This project accomplishes that. The TDA is especially excited that the Fox Theatre is included in the budget.

Raul Morales of the Tucson Carriage Company rose, but had no comments at this time.

Josephina Cardenas of Barrio Kroeger Lane spoke. Ms. Cardenas noted that barrio residents remain concerned about the project, and hope that the project will be a benefit to local residents and to the City.

Elva Flores of El Centro Cultural spoke. Ms. Flores indicated that many citizens are anxious that the project get underway, and supports the diversity of the project.

Mr. Poster moved that the public hearing be closed, Ms. Hernandez seconded the motion, motion approved, 11-0.

Mr. Poster noted that the Fox Theatre is a large element of the overall budget, and suggested that the presentation on that item commence before taking action on the budget. This agenda item was suspended pending the completion of item 4 on the agenda.

Mr. Poster moved approval of the submitted fiscal year 2003, Ms. Hernandez seconded the motion. Motion approved unanimously, 11-0. The Board moved to item 5 following this action.

4. Fox Theatre Application

Mr. Jones provided a brief overview of the information contained in the agenda package regarding the project, including the project application. Mr. Jones introduced Herb Stratford of the Fox Tucson Theatre Foundation. Mr. Stratford provided a brief history on the project to date, outlined possible partners and users of the space, detailed the level of philanthropic assistance to date, and touched on some of the other issues regarding this project. Mr. Stratford noted the unique nature of the venue and its projected immediate economic impact on downtown justified the request for $3.5 million in District funds.

Mr. Poster indicated support for minimizing debt service on this project. Mr. Poster noted that the Rio Nuevo Citizens Advisory Committee approved the application 11-0. ***Mr. Poster moved approval of the application, seconded by Ms. Hernandez. Motion approved unanimously (11-0).*** Mr. Jones noted that staff would return with the detailed development agreement at a future meeting. The Board returned to item 3 at this time.

5. Mission San Agustin and Tucson Presidio Reconstruction and Interpretation Plan RFP

Mr. Jones provided a brief overview, and introduced Marty McCune, Historic Preservation Administrator with the City of Tucson. Ms. McCune reviewed the proposed scope of work for the request for proposals (RFP). She indicated that the project is now clearly noted to be both an interpretive plan and a reconstruction effort.

Ms. McCune noted that this item will come before the Mayor and Council on July 1, 2002 for their consideration. Mr. Poster asked about construction budget and cost estimating as a deliverable and discipline that would be required. Ms. McCune agreed to include that element in the document. Ms. McCune indicated the RFP would likely be offered for bid sometime in July of this year. Staff will make an effort to share as much information provided as permitted by the Procurement process, and will seek clarification from any bidder as to what information is proprietary and what is public. Mr. Poster asked that a strong public involvement process is important to this project. Mr. Jones noted that a five-member review committee, including two members of the CAC, would tender the recommendation to the Procurement Director. ***Mr. Poster moved that the Procurement process be engaged, but that the Board receive updates at appropriate milestones along the way. Ms. Hernandez seconded the motion. Motion approved unanimously 11-0.***

6. Regional Visitors Center Design RFP

Mr. Jones indicated that we do not have a recommendation yet from the CAC, so this item should be continued.

7. Rio Nuevo Project Update

a) Engineering and Construction

Mr. Jones noted that the aquarium's feasibility study will come before the Board in September. The tentative plat for the acreage near I-10 and Congress has been approved, with final plat approval slated for later this summer. Grading will begin this summer as well. Property disposition would follow in the fall of this year.

b) Property Acquisition

Mr. Jones noted that the Citizen Auto Stage relocation project continues to progress. Staff expects a purchase contract in approximately one month from the General Services Administration regarding the Thrifty Block.

c) Project RFP's

No updates were provided.

d) Project Design

No updates were provided.

e) Project Construction

No updates were provided.

8. **Next Meeting, July 10th**

Mr. Poster indicated a conflict from July 8th to July 20th due to travel. Mr. Suarez noted that he would not be available during the first week of July.

9. **Future Agenda Items**

Mr. Jones noted that a public relations plan is anticipated, procurement policies would likely be placed on a September agenda, an application from the University of Arizona Science Center may be received in the very near future.

10. Call to the Audience

No one spoke during the Call to the Audience.

11. Adjournment

Mr. Poster moved for adjournment at 7:05 p.m., seconded by Ms. Hernandez and unanimously approved, 11-0.

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