MAYOR AND COUNCIL – STUDY SESSION

ADMINISTRATIVE ACTION REPORT AND SUMMARY
AUGUST 6, 2008

FROM: CITY MANAGER MCHeri

Mayor Robert E. Walkup called the Study Session to order at 12:31 P.M. in the Mayor and Council Chambers, City Hall Tower, Tucson, Arizona.

OFFICIAL MEMBERS PRESENT:

Mayor Robert E. Walkup
Vice Mayor Nina J. Trasoff, (Ward 6)
Council Member Regina Romero, (Ward 1)
Council Member Rodney Glassman, (Ward 2)
Council Member Karin Uhlich, (Ward 3)
Council Member Shirley C. Scott, (Ward 4)
Council Member Steve Leal, (Ward 5)

STAFF:

Mike Letcher, Deputy City Manager
Richard Miranda, Assistant City Manager
Mike Rankin, City Attorney
Roger Randolph, City Clerk

AGENDA ITEM/MAYOR AND COUNCIL ACTION	STAFF ACTION
1. Critical Path Institute: Update on Operations (City-Wide) SS/AUG6-08-232 Presentation made, formal direction given under the Regular Session, Consent Item Z.	
2. Tucson Regional Economic Opportunities, Inc. (TREO): Performance and Priorities Update (City-Wide) SS/AUG6-08-229 Presentation made, formal direction given under the Regular Session, Consent Item P.	
This Item was taken out of order. 6. Tucson Police Department Alvernon / Grant Initiative (AGI) Status Report (Wards 3 & 6) SS/AUG6-08-234 Presentation made, no formal direction given.	

AGENDA ITEM/MAYOR AND COUNCIL ACTION	STAFF ACTION
This item was taken out of order 13. Agreement with the Gadsen Company for the Purchase and Development of 14 acres located on the West Side of Downtown (W1) SS/AUG6-08-236 Presentation made, formal direction given under the Regular Session, Consent Item AA	
Recess occurred from 2:29 PM to 2:41 PM	

3. Overview of Multipurpose Facilities District History and Financing (City-Wide) SS/AUG6-08-235
 	
Vice Mayor Trasoff MOVED and it was duly seconded to direct the City Manager and staff to proceed with the next steps as described in the Power Point presentation and to approve the framework of the financial plan presented to us today.
 	
▪ Finalize agreements with institutional partners
▪ Procure an arena operator and design/build team, establish preliminary development budget and operating proformas
▪ Complete hotel predevelopment contract, and bring forward alternative financing structures
▪ Program convention center expansion
▪ Refine revenue projections and debt finance models
▪ Proceed with the Comprehensive TIF Capital Project Plan
▪ Continue to be a reliable public partner
    ▪ Ensure clear and predictable regulatory environment
    ▪ Deliver on public projects
    ▪ Effectively communicate the vision and plan
 	
It is FURTHER MOVED that the City Manager is directed to proceed with the financing proposals and timelines for consideration and approval by the Rio Nuevo District Board as soon as is appropriate.
 	
Motion PASSED by a vote of 7 to 0.
	DIR. OF RIO NUEVO
	Is responsible

AGENDA ITEM/MAYOR AND COUNCIL ACTION	STAFF ACTION
Continued from the previous page. 3. Overview of Multipurpose Facilities District History and Financing (City-Wide) SS/AUG6-08-235 Council Member Glassman MOVED and it was duly seconded to direct staff to conduct an annual Rio Nuevo update on the first Mayor and Council meeting of September every year, beginning in September 2009, to be followed by annual information Rio Nuevo Town Hall updates in each ward to include both project status updates and financial expenditure reporting beginning in September 2009. Motion PASSED by a vote of 7 to 0.	
Recess occurred from 4:17 PM to 4:30 PM	
This item was taken out of order 9. Mayor and Council Subcommittee Reports (City-Wide) SS/AUG6-08-224 Council Member Romero announced that the next Children, Families and Seniors Subcommittee will be held on Tuesday, August 12th at 5:00pm at the Ward 1 Council Office located at 940 W. Alameda.	
4. Dance Hall Ordinance - Amending Regulations Relating to Age Restrictions, Exemptions and Security Requirements (City-Wide) SS/AUG6-08-228 † Presentation made, formal direction given under the Regular Session, Consent Item B.	
This item was previously taken out of order, and then reconvened at this time. 9. Mayor and Council Subcommittee Reports (City-Wide) SS/AUG6-08-224 Vice-Mayor Trasoff announced that the next Rio Nuevo Subcommittee is being changed from August 21st to August 28th and will take place in Mayor and Council Chambers.	

AGENDA ITEM/MAYOR AND COUNCIL ACTION	STAFF ACTION
This item was taken out of order 10. Mayor and Council Regional and National Committee Reports (City-Wide) SS/AUG6-08-225 Council Member Scott reported on legislative activity at the Federal level.	
This item was taken out of order 11. Mayor and Council Discussion of Regular Agenda SS/AUG6-08-226 Vice-Mayor Trasoff added $1000 of Ward 6 Community Support Funds to Consent Item T - Finance: Community Support Fund Transfer To The Southern Arizona Aids Foundation To Help Support The Annual AIDSWALK. Council Member Romero added $250 of Ward 1 Community Support Funds to Consent Item O - Finance: Community Support Fund Transfer To Luz Social Services, Inc. To Support National Latino AIDS Awareness Day. Council Member Scott announced that the amount of Community Support Funds is being revised downward due to funds being found elsewhere for Consent Item L - Finance: Community Support Fund Transfer To World Care For The "Tools For Schools" Program Council Member Scott added $200 of Ward 4 Community Support Funds to Consent Item T - Finance: Community Support Fund Transfer To The Southern Arizona Aids Foundation To Help Support The Annual AIDSWALK.	
This item was taken out of order. 12. Mayor and Council Discussion of Future Agendas SS/AUG6-08-227 There were no requests for future agenda items.	
5. Business Incentives (City-Wide) SS/AUG6-08-233 This item was continued.	

AGENDA ITEM/MAYOR AND COUNCIL ACTION	STAFF ACTION
7. Executive Session – Spangle v. City of Tucson (City-Wide) SS/AUG6-08-230 Council Member Scott MOVED and it was duly seconded to enter into Executive Session for Item #7 as noticed in the agenda. Motion PASSED by a vote of 7 to 0.	
RECESS: 4:45 p.m. RECONVENE: 4:59 p.m. MAYOR & COUNCIL: Council Member Leal absent/excused STAFF: All present	
Executive Session was held from 4:45 p.m. to 4:59 p.m.	
Vice-Mayor Trasoff MOVED and it was duly seconded to return to open session. Motion PASSED by a vote of 6 to 0 (Council Member Leal absent/excused).	
8. Mayor and Council Direction Regarding Executive Session – Spangle v. City of Tucson (City-Wide) SS/AUG6-08-231 Council Member Romero MOVED and it was duly seconded to direct the City Attorney to proceed as discussed in Executive Session and to authorize the City Attorney and the City Manager to execute the necessary documents for the purchase of the Spangle property. Motion PASSED by a vote of 6 to 0 (Council Member Leal absent/excused).	<u>CITY ATTORNEY</u> Is responsible
ADJOURNMENT: 5:00 p.m. *VERBATIM TAPE RECORD AVAILABLE UPON REQUEST FROM THE CITY CLERK'S OFFICE*	

Río Nuevo

Rio Nuevo Multipurpose Facilities District Presentation to Mayor and Council

August 6, 2008

CITY OF TUCSON

ATTACHMENT TO STUDY SESSION AARS 8-6-08 Item #3

Rio Nuevo Multipurpose Facilities District

Río Nuevo

- Legislation and intent
  - Ballot framework
  - Tax increment district
  - Catalyst for revitalizing a 24/7 downtown
  - Extension of TIF
- Statutory considerations
  - District as legal entity
  - Powers
  - Expenditure limitations
- Governance
  - Intergovernmental Agreement
  - Administrative Rules
  - Fiduciary roles of Board and Mayor/Council

CITY OF TUCSON

Current Board Members:

Ann Marie Russell
Jeff DeGregorio
Roman Soltero
Dan Eckstrom

Strategic Plan

- Vision
  - Public investments leverage private investment
  - Destination districts as catalysts

- Expenditures to date
  - Planning, predevelopment and project summary
  - Detailed lifetime-to-date expense report by FY

Rio Nuevo Multipurpose Facilities Fund
Flow of Funds ***

As of 5/31/2008

	FY00	FY01	FY02	FY03	FY04	FY05	FY06	FY07	FY08	Total
Revenues:										
Sales Tax - State					6,202,524.44	8,655,985.78	10,526,207.00	16,188,386.18	12,705,552.59	54,278,655.99
Rent - Other		764.38	5,134.40	17,010.39	63,678.07	84,837.54	86,343.66	35,774.34	25,477.69	319,020.47
Interest Earnings			367.14	514.87	0.78	800.75	135,272.92	283,419.79	67,344.52	487,720.77
Unrealized Gain/Loss			(1,098.70)	5,680.46		(4,260.63)		(153,022.70)	7,411.49	(145,290.08)
Sale of Property			27,491.16						5,803.20	33,294.36
Misc			514,259.38		3,426.00		199.20	1,471,451.79		1,989,336.37
Total Revenue	-	764.38	546,153.38	23,205.72	6,269,629.29	8,737,363.44	10,748,022.78	17,826,009.40	12,811,589.49	56,962,737.88
Other Financing Sources:										
Bond Proceeds							5,800,000.00			5,800,000.00
Bond Premium										-
City of Tucson Loan					14,577,549.00					14,577,549.00
Toal Other Financing Sources	-	-	-	-	14,577,549.00	-	5,800,000.00	-	-	20,377,549.00
Total Revenue and Other Financing Sources	**-**	**764.38**	**546,153.38**	**23,205.72**	**20,847,178.29**	**8,737,363.44**	**16,548,022.78**	**17,826,009.40**	**12,811,589.49**	**77,340,286.88**
Expenditures:										
Personnel Services	115,236.05	240,731.44	261,021.30	448,912.02	374,766.82	629,739.55	630,832.37	612,052.18	-	3,313,291.73
Contractual Services	14,610.06	1,683,667.19	1,993,730.17	912,971.55	779,392.33	1,171,176.12	1,434,729.60	1,116,228.36	1,362,684.67	10,469,190.05
Commodities	3,916.84	33,673.45	25,600.59	92,551.07	40,504.83	23,071.30	14,409.14	215,738.62	2,884.17	452,350.01
Equipment/Capital	10,150.00	35,232.38	36,994.00	59,366.87	-	-	5,799.64	-		147,542.89
Debt Service, Interest and Fees	-	-	-	-	3,500.00	2,000.00	251,801.89	3,937,103.00	1,803,464.33	5,997,869.22
Issuance Costs			533,343.50				200,000.00			733,343.50
Other acquisitions				159,548.42						159,548.42
Interest Expense		52,398.85	121,435.55	161,266.17	99,733.00	199,664.23	-	-		634,497.80
Projects:										
501 S Sentinel Av	27,887.51	-	-	499.73	-	-		-		28,387.24
TCC Box Office	-	-	-	793,716.39	-	-		-		793,716.39
Tucson Regional Visitors Center	-	-	1,110.34	98.11	(1,208.45)	-		-		(0.00)
Presidio Stabilization & Heritage Park	-	-	156,967.40	619,010.21	707,245.78	22,667.09	1,326,757.50	1,233,836.44	210,304.55	4,276,788.97
Mission Site/Origins Park	-	-	-	781,448.27	767,227.72	308,387.25	363,752.46	3,344,441.05	10,857,693.15	16,422,949.90
Citizen Auto Exchange Property	-	-	-	826,207.71	-	1,575,209.54	748,116.79	190.26		3,149,724.30
Fox Theatre	-	-	-	1,328,016.62	789,866.77	3,265,601.31	6,050,772.42	165,696.79		11,599,953.91
U of A Science Center	-	-	-	190,183.00	13,453.64	6,939.52	14,255.55	-	4,639,366.74	4,864,198.45
Mercado/Avenid	-	-	-	-	-	121,004.54	72,997.20	4,000,144.23	1,335,507.48	5,529,653.45
Thrifty Block	-	-	85,263.26	48,534.11	21,716.04	520,289.10	10,781.96	4,251.91		690,836.38
Drilltrack Improvements	-	-	-	-	170,060.26	70,526.93	3,158.01	471.82		244,217.02
New Arena	-	-	-	-	-	6,282.09	(6,282.09)	-		-
Depot Plaza	-	-	-	-	-	-	-	48,803.90	686,522.85	735,326.75
Northwest Lots: Church-Stone	-	-	-	-	751,907.03	-		-		751,907.03
Mission Landfill	-	-	-	-	5,139.14	1,564.92	1,318.49	1,563,904.22	533,233.39	2,105,160.16
Rialto Theater	-	-	-	-	-	1,790,046.68	355,621.56	83,679.77	38,934.66	2,268,282.67
Civic Plaza	-	-	-	-	-	257,671.60	137,217.52	335,157.72		730,046.84
Civic Land Acquisition	-	-	-	-	-	5,196.51	3,634.40	-		8,830.91
Cultural Plaza	-	-	-	-	-	58,802.22	16,930.31	12,414.87		88,147.40
Civic Parking Garage	-	-	-	-	-	391,742.63	265,312.17	49.12		657,103.92
Congress Streetscape	-	-	-	-	-	328,156.92	7,886.89	2,757.88		338,801.69
Presidio Terrace	-	-	-	-	-	1,579.57	(1,579.57)	-		-
Clark Street Bridge	-	-	-	-	-	-	-	66,770.66		66,770.66
Arena	-	-	-	-	-	-	-	-	52,934.36	52,934.36
Total Expenditures	**171,800.46**	**2,045,703.31**	**3,215,466.11**	**6,422,330.25**	**4,523,304.91**	**10,757,319.62**	**11,908,224.21**	**16,743,692.80**	**21,523,530.35**	**77,311,372.02**

Strategic Plan

Río Nuevo

- Current financial obligations
  - On-going (remaining) project commitments
  - Debt commitments
- Long-range funding allocation guide – May 2007
  - Infrastructure
  - Cultural attractions
  - Arena, hotel, and convention center expansion
- Retrospective
  - Context for revitalization
  - Economic conditions
  - Recent and current activities

CITY OF TUCSON

Financing

Río Nuevo

- Overview of capital markets
  - Credit crisis
  - Economic slowdown
  - Private Investment for project finance
- Revenue Estimates
  - Forecasts periodically updated
  - Reflect current and short-term economic slowdown
- Debt Capacity
  - Credit crisis affects borrowing cost and capacity
  - Borrowing capacity based on revenue estimates and underlying assumptions, and expiration of TIF
  - Circumstances will change over time – periodic reviews required

CITY OF TUCSON

Financing – Revenue Estimates

Río Nuevo

- Initial
  - existing sales tax only (with inflation factor)
- Intermediate
  - existing sales tax only (with inflation factor), plus
  - construction sales tax within district
- Anticipated
  - existing sales tax only (with inflation factor), plus
  - construction sales tax within district, plus
  - sales tax increment from projects

CITY OF TUCSON

Financing – Initial

Río Nuevo

Fiscal Year	TIF Revenues (1)	Construction Sales Tax (2)	Total Revenues	Estimated Outstanding Debt Service (3)	Estimated Net Revenues Available For Debt Service	Estimated Debt Service (4) — $72,455,000 Series 2008 Dated: Sept. 2008	Estimated Debt Service (4) — $107,000,000 Series 2009 Dated: Feb. 2009	Total Estimated Combined Debt Service	Estimated Debt Service Coverage	Revenues In Excess of Debt Service Requirements: Annual	Revenues In Excess of Debt Service Requirements: Cumulative
2008	$16,205,590	$0	$16,205,590								
2009	16,205,590	0	16,205,590	$0	$16,205,590	$5,533,688	$7,475,000	$13,008,688	**1.25x**	$3,196,902	$3,196,902
2010	18,233,467	0	18,233,467	1,485,000	16,748,467	6,967,500	6,132,000	14,584,500	**1.25x**	3,648,967	6,845,868
2011	20,362,737	0	20,362,737	1,487,975	18,874,762	6,962,800	7,877,000	16,327,775	**1.25x**	4,034,962	10,880,830
2012	22,598,471	0	22,598,471	1,488,325	21,110,146	6,963,500	9,662,300	18,114,125	**1.25x**	4,484,346	15,365,176
2013	24,945,992	0	24,945,992	1,487,100	23,458,892	6,963,700	11,459,200	19,910,000	**1.25x**	5,035,992	20,401,168
2014	27,410,888	0	27,410,888	1,484,300	25,926,588	6,962,800	10,875,200	19,322,300	**1.42x**	8,088,588	28,489,756
2015	29,999,030	0	29,999,030	1,484,925	28,514,105	6,965,200	10,875,900	19,326,025	**1.55x**	10,673,005	39,162,761
2016	32,716,579	0	32,716,579	1,483,750	31,232,829	6,965,000	10,877,100	19,325,850	**1.69x**	13,390,729	52,553,490
2017	35,570,005	0	35,570,005	1,485,775	34,084,230	6,961,600	10,867,600	19,314,975	**1.84x**	16,255,030	68,808,520
2018	38,566,102	0	38,566,102	1,485,775	37,080,327	6,964,400	10,876,800	19,326,975	**2.00x**	19,239,127	88,047,647
2019	41,712,004	0	41,712,004	1,483,750	40,228,254	6,962,200	10,872,300	19,318,250	**2.16x**	22,393,754	110,441,401
2020	45,015,201	0	45,015,201	1,484,700	43,530,501	6,964,400	10,873,500	19,322,600	**2.33x**	25,692,601	136,134,002
2021	48,483,559	0	48,483,559	1,488,400	46,995,159	6,959,800	10,878,600	19,326,800	**2.51x**	29,156,759	165,290,761
2022	52,125,334	0	52,125,334	1,484,625	50,640,709	6,962,800	10,870,800	19,318,225	**2.70x**	32,807,109	198,097,870
2023	55,949,198	0	55,949,198	1,483,600	54,465,598	6,966,900	10,874,200	19,324,700	**2.90x**	36,624,498	234,722,367
2024	59,964,255	0	59,964,255	1,485,100	58,479,155	6,960,900	10,876,400	19,322,400	**3.10x**	40,641,855	275,364,222
2025	64,180,064	0	64,180,064	1,483,900	62,696,164	6,964,200	10,875,600	19,323,700	**3.32x**	44,856,364	320,220,586
Total	$650,244,064	$0	$650,244,064	$23,767,000	$610,271,474	$116,951,388	$173,099,500	$313,817,888			

Estimated Revenues and Outstanding Debt Service Obligations

(1) Revenues reflect projected TIF Collections as provided by C.H. Johnson Consulting on June 9, 2008, without incremental revenues or construction sales tax revenues. District sales tax assumes annual growth of 5.0%.

(2) Assumes no additional revenues available to leverage future debt issuances.

(3) Represents debt service associated with the repayment of the $16 million loan from the City's General Fund at 4.50% interest rate.

(4) Interest rate is estimated at 6.00%.

Summary of Bond Issues	
Series 2008:	$72,455,000
Series 2009:	$107,000,000
Total Bonds	**$179,455,000**
Cumulative Revenues in Excess of Debt Service Requirements	**$320,220,586**
Combined Total	**$499,675,586**

CITY OF TUCSON

Financing – Intermediate

Río Nuevo

Estimated District Revenues and Outstanding Debt Service Obligations

Fiscal Year	TIF Revenues (1)	Construction Sales Tax (2)	Total Revenues	Estimated Outstanding Debt Service (3)	Estimated Net Revenues Available For Debt Service	$72,455,000 Series 2008 Dated: Sept. 2008 Estimated Debt Service (4)	$240,000,000 Series 2009 Dated: Feb. 2009 Estimated Debt Service (4)	Total Estimated Combined Debt Service	Estimated Debt Service Coverage	Revenues In Excess of Debt Service Requirements: Annual	Revenues In Excess of Debt Service Requirements: Cumulative
2008	$16,205,590		$16,205,590								
2009	16,205,590	$2,112,000	18,317,590	$0	$18,317,590	$5,533,688	$9,100,000	$14,633,688	**1.25x**	$3,683,902	$3,683,902
2010	18,233,467	10,152,000	28,385,467	1,485,000	26,900,467	6,967,500	14,214,000	22,666,500	**1.25x**	5,718,967	9,402,868
2011	20,362,737	13,599,000	33,961,737	1,487,975	32,473,762	6,962,800	18,714,000	27,164,775	**1.25x**	6,796,962	16,199,830
2012	22,598,471	8,337,000	30,935,471	1,488,325	29,447,146	6,963,500	16,244,000	24,695,825	**1.25x**	6,239,646	22,439,476
2013	24,945,992	8,269,000	33,214,992	1,487,100	31,727,892	6,963,700	18,106,000	26,556,800	**1.25x**	6,658,192	29,097,668
2014	27,410,888	6,490,000	33,900,888	1,484,300	32,416,588	6,962,800	18,648,000	27,095,100	**1.25x**	6,805,788	35,903,456
2015	29,999,030	7,221,000	37,220,030	1,484,925	35,735,105	6,965,200	21,342,000	29,792,125	**1.25x**	7,427,905	43,331,361
2016	32,716,579	8,771,000	41,487,579	1,483,750	40,003,829	6,965,000	24,656,000	33,104,750	**1.25x**	8,382,829	51,714,190
2017	35,570,005	9,612,000	45,182,005	1,485,775	43,696,230	6,961,600	27,657,000	36,104,375	**1.25x**	9,077,630	60,791,820
2018	38,566,102	10,530,000	49,096,102	1,485,775	47,610,327	6,964,400	30,745,100	39,195,275	**1.25x**	9,900,827	70,692,647
2019	41,712,004	14,762,000	56,474,004	1,483,750	54,990,254	6,962,200	36,631,700	45,077,650	**1.25x**	11,396,354	82,089,001
2020	45,015,201	12,531,000	57,546,201	1,484,700	56,061,501	6,964,400	37,489,400	45,938,500	**1.25x**	11,607,701	93,696,702
2021	48,483,559	3,248,000	51,731,559	1,488,400	50,243,159	6,959,800	32,879,500	41,327,700	**1.25x**	10,403,859	104,100,561
2022	52,125,334	3,329,000	55,454,334	1,484,625	53,969,709	6,962,800	35,901,200	44,348,625	**1.25x**	11,105,709	115,206,270
2023	55,949,198	3,413,000	59,362,198	1,483,600	57,878,598	6,966,900	39,031,900	47,482,400	**1.25x**	11,879,798	127,086,067
2024	59,964,255	3,177,000	63,141,255	1,485,100	61,656,155	6,960,900	8,983,500	17,429,500	**3.62x**	45,711,755	172,797,822
2025	64,180,064	2,958,000	67,138,064	1,483,900	65,654,164	6,964,200	8,988,800	17,436,900	**3.85x**	49,701,164	222,498,986
Total	$650,244,064	$128,511,000	$778,755,064	$23,767,000	$738,782,474	$116,951,388	$399,332,100	$540,050,488			

(1) Revenues reflect projected TIF Collections as provided by C.H. Johnson Consulting (July 2008). District sales tax assumes annual growth of 5.0%.
(2) Estimated construction sales tax revenue as provided by C.H. Johnson Consulting (July 2008).
(3) Represents debt service associated with the repayment of the $16 million loan from the City's General Fund at 4.50% interest rate.
(4) Interest rate is estimated at 6.00%.

Summary of Bond Issues	
Series 2008:	$72,455,000
Series 2009:	$240,000,000
Total Bonds	**$312,455,000**
Cumulative Revenues in Excess of Debt Service Requirements	**$222,498,986**
Combined Total	**$534,953,986**

CITY OF TUCSON

Financing – Anticipated

Río Nuevo

Estimated District Revenues and Outstanding Debt Service Obligations

Fiscal Year	TIF Revenues (1)	Construction Sales Tax (2)	Incremental TIF Revenues (2)	Total Revenues	Estimated Outstanding Debt Service (3)	Estimated Net Revenues Available For Debt Service	$72,455,000 Series 2008 Dtd: Sep. 2008 Estimated Debt Service (4)	$254,000,000 Series 2009 Dtd: Feb. 2009 Estimated Debt Service (4)	$129,500,000 Series 2014 Dtd: Sep. 2014 Estimated Debt Service (4)	Total Estimated Combined Debt Service	Estimated Debt Service Coverage	Revenues In Excess of Debt Service Requirements: Annual	Revenues In Excess of Debt Service Requirements: Cumulative
2008	$16,205,590			$16,205,590									
2009	16,205,590	$2,112,000	$827,000	19,144,590	$0	$19,144,590	$5,533,688	$9,750,000		$15,283,688	**1.25x**	$3,860,902	$3,860,902
2010	18,233,467	10,152,000	968,000	29,353,467	1,485,000	27,868,467	6,967,500	15,036,000		23,488,500	**1.25x**	5,864,967	9,725,868
2011	20,362,737	13,599,000	2,385,000	36,346,737	1,487,975	34,858,762	6,962,800	20,636,000		29,086,775	**1.25x**	7,259,962	16,985,830
2012	22,598,471	8,337,000	6,258,000	37,193,471	1,488,325	35,705,146	6,963,500	21,300,000		29,751,825	**1.25x**	7,441,646	24,427,476
2013	24,945,992	8,269,000	6,888,000	40,102,992	1,487,100	38,615,892	6,963,700	23,604,000		32,054,800	**1.25x**	8,048,192	32,475,668
2014	27,410,888	6,490,000	9,370,000	43,270,888	1,484,300	41,786,588	6,962,800	26,146,000		34,593,100	**1.25x**	8,677,788	41,153,456
2015	29,999,030	7,221,000	9,933,000	47,153,030	1,484,925	45,668,105	6,965,200	20,502,000	$8,775,000	37,727,125	**1.25x**	9,425,905	50,579,361
2016	32,716,579	8,771,000	10,707,000	52,194,579	1,483,750	50,710,829	6,965,000	24,352,000	8,832,000	41,632,750	**1.25x**	10,561,829	61,141,190
2017	35,570,005	9,612,000	11,561,000	56,743,005	1,485,775	55,257,230	6,961,600	27,459,000	9,355,000	45,261,375	**1.25x**	11,481,630	72,622,820
2018	38,566,102	10,530,000	12,752,000	61,848,102	1,485,775	60,362,327	6,964,400	30,447,100	10,507,300	49,404,575	**1.25x**	12,443,527	85,066,347
2019	41,712,004	14,762,000	13,855,000	70,329,004	1,483,750	68,845,254	6,962,200	36,439,700	11,294,000	56,179,650	**1.25x**	14,149,354	99,215,701
2020	45,015,201	12,531,000	14,713,000	72,259,201	1,484,700	70,774,501	6,964,400	37,297,400	12,047,500	57,794,000	**1.25x**	14,465,201	113,680,902
2021	48,483,559	3,248,000	15,375,000	67,106,559	1,488,400	65,618,159	6,959,800	32,587,500	12,581,300	53,617,000	**1.25x**	13,489,559	127,170,461
2022	52,125,334	3,329,000	15,964,000	71,418,334	1,484,625	69,933,709	6,962,800	35,715,200	13,095,000	57,257,625	**1.25x**	14,160,709	141,331,170
2023	55,949,198	3,413,000	16,570,000	75,932,198	1,483,600	74,448,598	6,966,900	38,845,900	13,606,800	60,903,200	**1.25x**	15,028,998	156,360,167
2024	59,964,255	3,177,000	17,196,000	80,337,255	1,485,100	78,852,155	6,960,900	7,297,500	48,348,700	64,092,200	**1.25x**	16,245,055	172,605,222
2025	64,180,064	2,958,000	17,668,000	84,806,064	1,483,900	83,322,164	6,964,200	7,292,800	52,003,600	67,744,500	**1.25x**	17,061,564	189,666,786
Total	$650,244,064	$128,511,000	$182,990,000	$961,745,064	$23,767,000	$921,772,474	$116,951,388	$414,708,100	$200,446,200	$755,872,688			

(1) Revenues reflect projected TIF Collections as provided by C.H. Johnson Consulting (July 2008). District sales tax assumes annual growth of 5.0%.
(2) Estimated construction sales tax revenue and incremental TIF revenues, as provided by C.H. Johnson Consulting (July 2008).
(3) Represents debt service associated with the repayment of the $16 million loan from the City's General Fund at 4.50% interest rate.
(4) Interest rate is estimated at 6.00%.

Summary of Bond Issues	
Series 2008:	$72,455,000
Series 2009:	$254,000,000
Series 2014:	$129,500,000
Total Bonds	**$455,955,000**
Cumulative Revenues in Excess of Debt Service Requirements	**$189,666,786**
Combined Total	**$645,621,786**

CITY OF TUCSON

Comprehensive TIF Capital Funding Plan

Project	Prior Years Expended	2008	2009	2010	2014	BOND TOTAL
Congress						
Depot Plaza (Plaza)		$1,400,000				**$1,400,000**
Depot Plaza (Parking)	[redacted]	[redacted]				**$12,200,000**
Rialto Theatre	$2,268,282					**$0**
Parking	$0				[redacted]	**$10,000,000**
Fox Theatre	$11,599,953	[redacted]				**$3,635,000**
Thrifty Block	$690,836					**$0**
Streetscape	[redacted]					**$0**
Infrastructure Program	$0	[redacted]	[redacted]	[redacted]	[redacted]	**$39,000,000**
Cultural Campus						
Cultural Plaza Planning	$86,147					**$0**
501 S Sentinel Av	$28,387					**$0**
Clearwater/Avenida del Convento	[redacted]					**$0**
Roundabout Construction	[redacted]					**$0**
Cushing Bridge and Roadways	[redacted]	[redacted]				**$10,000,000**
Clark Street Underpass	$0	[redacted]				**$9,000,000**
Landfill Remediation/Arc (Origins)	$2,105,160	$5,400,000				**$5,400,000**
Mission San Agustin and related	$16,422,950	$3,000,000	$11,000,000	$11,000,000		**$25,000,000**
Parking Structure* (includes plaza)	[redacted]	[redacted]				**$17,300,000**
Citizens Auto Exchange Property	$3,149,724					**$0**
Arizona History Museum	$0	$3,000,000	$2,000,000		$40,000,000	**$45,000,000**
UA Science Center/AZ State Museum	$4,864,198		$65,000,000		$60,000,000	**$125,000,000**
Children's Museum	$0	$1,200,000			$8,800,000	**$10,000,000**
Barrio Sin Nombre (Infrastructure)	$0		[redacted]		[redacted]	**$2,000,000**
West Side Library	$0		$500,000		$4,500,000	**$5,000,000**
						$0
Civic Plaza						**$0**
TCC Box Office	$793,716					**$0**
Civic Plaza Planning	$730,047					**$0**
Convention Center Hotel	$0		$10,000,000			**$10,000,000**
New Arena	$52,934		$10,000,000	$50,000,000	$40,000,000	**$100,000,000**
Renovate Convention Center	$0			$10,000,000		**$10,000,000**
Civic Plaza	$730,047					**$0**
Parking	$49		[redacted]	[redacted]		**$10,000,000**
Barrio Viejo (Infrastructure)	$0		[redacted]		[redacted]	**$2,000,000**
Land Acquisition	$8,831					**$0**
						$0
Presidio						**$0**
Drilltrack/Greenway	$244,217					**$0**
Church/Stone Lot	$751,907					**$0**
Presidio Reconstruction/Park	$4,276,789					**$0**
TMA Parking*	$1,580				[redacted]	**$2,000,000**
						$0
Undesignated						**$0**
Future Arts Cultural						**$0**
						$0
Expenditures						**$0**
Personal Services	$3,313,292					**$0**
Contractual Services	$10,469,180					**$0**
Commodities	$452,350					**$0**
Equipment/Capital	$147,543					**$0**
Issuance Costs	$733,343					**$0**
Acquisitions	$159,548					**$0**
Debt Service/Interest/Fees	$5,997,869					**$0**
Interest Expense	$634,498					**$0**
TOTAL	$78,759,333	**$73,135,000**	**$112,500,000**	**$91,000,000**	**$177,300,000**	**$453,935,000**

Next Steps

Río Nuevo

- Determine major project capital needs
  - Finalize agreements with institutional partners
  - Procure arena operator and design/build team, establish preliminary development budget and operating proformas
  - Complete hotel predevelopment contract, bring forward alternative financing structures
  - Program convention center expansion

- Refine revenue projections and debt finance models

- Proceed with the Comprehensive TIF Capital Project Plan

- Be a reliable public partner
  - Ensure clear and predictable regulatory environment
  - Deliver on public projects
  - Effectively communicate the vision and plan

CITY OF TUCSON