



KEN BENNETT
SECRETARY OF STATE
STATE OF ARIZONA



April 30, 2012

*Noted
5-8-12*

The Honorable Richard Miranda
City Manager's Office City Hall
255 W. Alameda St. 10th Floor
Tucson, AZ 85701

Dear City Manager Miranda:

The Fiftieth Legislature - Second Regular Session of the State of Arizona, passed SCM 1005 and filed it in my office on 04/19/2012. The language in this memorial requires that my office transmit copies to the Mayor, City Attorney and City Manager of the City of Tucson, each Member of the City Council of the City of Tucson, each Member of the Pima County Board of Supervisors, the Pima County Manager, the Arizona Attorney General, the Director of the Federal Bureau of Investigation, the Director of the United States Department of Justice and each Member of Congress from the State of Arizona. Please find enclosed copies of SCM 1005.

Sincerely yours,

A handwritten signature in black ink that reads "Ken Bennett".

Ken Bennett
Secretary of State

Enclosures
sr/KB

Senate Engrossed

FILED

**KEN BENNETT
SECRETARY OF STATE**

State of Arizona
Senate
Fiftieth Legislature
Second Regular Session
2012

SENATE CONCURRENT MEMORIAL 1005

A CONCURRENT MEMORIAL

URGING THE CITY OF TUCSON, THE PIMA COUNTY BOARD OF SUPERVISORS AND OTHER ENTITIES TO WORK IN THE BEST INTERESTS OF ARIZONA'S TAXPAYERS IN RESOLVING THE DISPUTE REGARDING THE RIO NUEVO MULTIPURPOSE FACILITIES DISTRICT BOARD.

(TEXT OF BILL BEGINS ON NEXT PAGE)

1 To the Mayor, City Attorney and City Manager of the City of Tucson, the
2 Tucson City Council, the Pima County Board of Supervisors, the Pima
3 County Manager, the Arizona Attorney General, the Director of the
4 Federal Bureau of Investigation and the Director of the United States
5 Department of Justice:

6 Your memorialist respectfully represents:

7 Whereas, in 1999 the Rio Nuevo Multipurpose Facilities District
8 (District) was established to redevelop and revitalize the downtown corridor
9 in Tucson, Arizona through an independent and separate financing stadium
10 district board and program; and

11 Whereas, the Arizona Legislature reconstituted, appointed and seated a
12 new Rio Nuevo Multipurpose Facilities District Board (new District Board)
13 along with Governor appointments in 2010; and

14 Whereas, the reconstitution of the governing board of this stadium
15 district was a significant reminder and reprimand to the City of Tucson
16 government, the Mayor and Council and the City Staff and Officials (City)
17 that the allocation, management and expenditure of Arizona funds by them are
18 a public trust that is to be faithfully administered and managed for the
19 taxpayers' benefit; and

20 Whereas, the taxpaying citizens of Arizona rely on the proper
21 management and use of the stadium district development funds as an economic
22 stimulator to harness important commercial and recreational industries to
23 fuel the state's economy and tax base, bringing vibrancy to a designated
24 area; and

25 Whereas, this reconstitution significantly reprimanded the City for its
26 administration and management of this program and its funding source since
27 its inception; and

28 Whereas, the pre-2010 management and administration of the District
29 inappropriately focused on general municipal obligations such as street
30 infrastructure properly belonging to the City, not the District, and
31 disproportionately exhausted and obligated the funding source for this
32 District; and

33 Whereas, the Arizona Legislature applauds the control exercised by the
34 new District Board, its careful financial review and ordering of the ongoing
35 forensic audits of the significant large projects, ceasing to fund projects
36 not within its actual boundaries and its continued struggle for receipt of
37 its funds and assets as well as independence from the City; and

38 Whereas, the Arizona Legislature appreciates the new District Board's
39 service as an agent of the State of Arizona; and

40 Whereas, the new District Board has diligently worked through complex
41 issues, including numerous inherited projects, contracts and expenditures;
42 and

1 Whereas, the new District Board has endeavored to ascertain the true
2 financial status of the District, identify its assets and secure an
3 accounting for the taxpayers of Arizona through forensic and financial audits
4 combined with the findings of the performance audit by the State Auditor
5 General and the institution of legal action; and

6 Whereas, the District has retained competent consultants, including
7 financial accounting institutions and legal counsel, separately and distinct
8 from the previous management by the City of Tucson, and has examined District
9 leases, financing instruments, intergovernmental agreements and other
10 agreements to protect the taxpayer; and

11 Whereas, the new District Board has been a good steward of Arizona's
12 funds through its diligence in facilitating this accounting and assessment of
13 District assets and expenditures. Forensic audits and continued development
14 of independent controls and procedural management is exactly what the
15 reconstitution of the District was meant to facilitate; and

16 Whereas, the Arizona Legislature supports the new District Board in its
17 continued efforts to ensure a solid financial and asset accounting; and

18 Whereas, the District remains in dispute with the City regarding the
19 return and recovery of its assets; and

20 Whereas, it is important to safeguard accountability for the taxpaying
21 citizens of Arizona.

22 Wherefore your memorialist, the Senate of the State of Arizona, the House of
23 Representatives concurring, prays:

24 1. That the City act in good faith and work with the new District
25 Board to reach a significant and meaningful accord on the cash and property
26 assets due to the District for more than \$250,000,000 of state funds expended
27 since 1999.

28 2. That the City refrain from negative rhetoric and act in good faith
29 for and during dispute resolution proceedings of whatever nature and
30 recognize the independence and autonomy of the District.

31 3. That the Office of the Arizona Attorney General and the Federal
32 Bureau of Investigation continue their investigation and review of civil and
33 criminal violations of the law.

34 4. That the City work with the new District Board to effectuate actual
35 development and progress pursuant to the District's purpose and mission
36 during the remaining duration of the District, as directed by the new
37 District Board.

38 5. That the new District Board continue its successful pursuit to
39 secure an accurate accounting, to secure the taxpayers' assets, to promote
40 development as a governing autonomous development state entity, to harness
41 its asset and hold responsible for the egregious actions accountable to such
42 accounting for the taxpayers of the State of Arizona.

1 6. That the Secretary of State of the State of Arizona transmit copies
2 of this Memorial to the Mayor, City Attorney and City Manager of the City of
3 Tucson, each Member of the City Council of the City of Tucson, each Member of
4 the Pima County Board of Supervisors, the Pima County Manager, the Arizona
5 Attorney General, the Director of the Federal Bureau of Investigation, the
6 Director of the United States Department of Justice and each Member of
7 Congress from the State of Arizona.

PASSED BY THE HOUSE APRIL 16, 2012.

PASSED BY THE SENATE MARCH 5, 2012.

FILED IN THE OFFICE OF THE SECRETARY OF STATE APRIL 19, 2012.

Passed the House April 16, 2012,

Passed the Senate March 5, 2012,

by the following vote: 38 Ayes,

by the following vote: 80 Ayes,

18 Nays, 3 Not Voting
1 vacant

8 Nays, 2 Not Voting

[Signature]

Speaker of the House

[Signature]

President of the Senate

[Signature]
Chief Clerk of the House

[Signature]
Secretary of the Senate

EXECUTIVE DEPARTMENT OF ARIZONA
OFFICE OF SECRETARY OF STATE

This Bill was received by the Secretary of State
this 19th day of April, 2012,

S.C.M. 1005

at 12:35 o'clock P M.

[Signature]
Secretary of State