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**NEWS RELEASE**

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**SUBJECT:** Rio Nuevo Notice of Claim

Ralph Waldo Emerson once said that, "As long as a man stands in his own way, everything seems to be in his way." On Thursday, May 17th, the Rio Nuevo board filed a claim for another \$25M of **your** money. In so doing, it places another obstacle in its own way in terms of investing money into the Primary Component of the District, the Tucson Convention Center.

Last fall this Rio Nuevo Board filed a \$47M lawsuit against the taxpayers of this City. At the time they stated that they did not really want the \$47M, but that they filed the suit in order to get our attention. That statement was absurd on its face. Revitalizing our downtown isn't about political brinksmanship. It's about creating an environment for reinvestment and growth and they have failed.

On Thursday, this Board announced that they now want another \$25M of **your** money. In the Notice sent to the City they state that they do this while pursuing mediation on a good faith basis. Filing a claim for \$25M is not good faith. It does nothing to advance revitalizing our Downtown. It is another political maneuver.

While suing you, this Rio Nuevo Board has stated that the majority of the money the City has invested in the TCC is "Rio Nuevo's money, not the City's." It's neither. It's your money and this Board has an obligation to spend it on what the Auditor General called the Primary Component of the District, the TCC. Instead it merely places obstacles in the way of our ability to make progress in either establishing a working relationship with this Board, or investing your tax dollars in a responsible manner. Paying hundreds of thousands of dollars each year to Rio Nuevo attorneys is not a responsible investment. Again, it does nothing to create a downtown to be proud of.

Early last spring I advocated for ending mediation and making all of the mediation deal points public. You deserve to know what is being done (or not done) with your dollars. For mediation to have any chance of success, both parties must bring reasonable and serious proposals to the table. Rio Nuevo has not done that. Instead they have made demands in mediation that are as equally foolish as filing lawsuits against the taxpayers for what is now a combined total of \$72M. Each time we appear to be advancing in mediation, this Rio Board throws up another obstacle. Two and a half years have passed and still this state appointed Board can't tell you how much money they have in the bank. They have spent your money on a TCC entrance (for a hotel I helped defeat) and suing or being sued by everyone they come in contact with. In the meantime the City has moved ahead with downtown development in everything from transportation to incentive programs for redevelopment.

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With this most recent Notice filed against the taxpayers of this community by the Rio Board, I am hopeful that the Council will support making the public aware of all of the deal points each side has offered during the mediation, and ending the mediation until this Rio Nuevo Board withdraws their claims for \$72M of your money. Clearly this Board is trying to get through litigation what it failed to get passed by the State Legislature. Those are not the actions of a serious mediation or investing partner. It's time to end that charade, make public what each side has been advocating for, and let the taxpayers decide who has been acting in good faith, and who has simply been tossing road blocks into the process.

The founder of Success Magazine once said that, "Obstacles will look large or small to you according to whether you are large or small." This City Council has, and will continue to take the high road in working towards development of the downtown area. You can see that in the progress and programs we have enacted. The obstacle that Rio has made out of itself is small from that vantage point. We welcome them into a serious conversation, but that is not possible while they simply insist on trying to craft state legislation and filing litigation that would work to the detriment of this region. You deserve better!

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