

**Downtown Tucson  
Rio Nuevo Tax Increment District  
February 2009**

---

Mayor & Council have made downtown revitalization a top priority. With funds derived from the Rio Nuevo tax increment district, the City is making a series of strategic investments to stimulate the marketplace and support new private sector development. Those tax increment dollars are invested in ways that augment a shared vision for a vibrant city center by leveraging downtown Tucson's unique competitive advantage as the region's urban and cultural center.

Voters approved the creation of the Rio Nuevo tax increment district in 1999. However, it was not until late-2003 that revenue first started to accumulate to support projects and planning. And more significantly, without the revenue extension approved by the State Legislature in 2006 the City would not have the financial capacity to deliver public projects and the infrastructure necessary to leverage private sector reinvestment.

Much has happened since the State Legislature approved that extension. Downtowns do not change overnight. This is attributable to a multitude of factors, including market uncertainties, the risk and complexities associated with urban redevelopment, and the incremental nature of growth and development. Transformational changes occur over a decade or more. It is therefore important to embrace every success, no matter how small, whether it's an infill project, major mixed-use project, store or restaurant opening, or a transportation enhancement. They are all building blocks for the future.

Following is a look back at significant private and public sector efforts since the State Legislature approved the revenue extension:

A. Recent print media reports about downtown activity:

Jan 9, '09	Tucson Citizen - new 12,500-seat arena operator and design team to be picked mid-Feb
Dec 20, '08	AZ Daily Star - new \$100m+ modern streetcar on track with federal commitment
Dec 18, '08	AZ Daily Star - City sells \$78m in bonds for projects
Dec 16, '08	Tucson Citizen - City holds new \$140m convention headquarters hotel design forum
Dec 16, '08	Bond Buyer - downtown Tucson renaissance
Dec 13, '08	AZ Daily Star - sites selected for major facade program investments
Dec 13, '08	Tucson Citizen - Scott Av streetscape work starts, phase 1 of \$37m project infrastructure program
Dec 11, '08	AZ Daily Star - private joint venture plans major warehouse area redevelopment
Dec 10, '08	AZ Daily Star - Maynards Market and Maynards Restaurant opens
Dec 3, '08	Tucson Citizen - Madden Media starts renovations for relocation of 80 employees to downtown
Sep 22, '08	Tucson Citizen - downtown eatery opens (On a Roll sushi and bar)
Sep 16, '08	AZ Daily Star - \$10m condo plans approved for downtown apartment building
Aug 8, '08	Inside Tucson Business - City approves west side development agreement, investment value \$250m or more

B. Other ongoing activities in '08, not by way of limitation:

- 4th Av Underpass construction
- I-10 widening and Clark St Underpass construction
- Depot Plaza construction (4-phase, \$50m mixed use project)
- Mercado District construction (multi-year build-out, \$100m mixed use project)
- Mercado Public Market construction
- Tooley's, Centro and Burger City food and beverage openings
- storefronts on 6th renovated/occupied, further improvements in r-o-w planned
- Santa Cruz River bridge design nearing completion
- Greenway moved from planning to implementation
- Tucson Origins Heritage Park Mission in 1st phase construction
- History and State Museums and Science Center advance design development work
- environmental remediation, archaeological clearances and flood mitigation continued
- area-wide infrastructure engineering commenced
- east end streetscape, infrastructure, and streetcar track construction starts
- affordable housing and real estate tax relief policies developed by Mayor & Council
- regulatory (code and entitlement) improvements made
- Barraza-Aviation Pkwy alignment resolved
- new signature events, most notably First Night
- new fire headquarters commercial building in construction
- renovation of Stone Av commercial building complete, TDOT and Planning occupy
- Museum of Contemporary Art opens a Stone Av location

C. Other significant Mayor & Council actions '08:

- bond program and capital investment plan in Aug
- BID renewal in Jun
- 525-room hotel preconstruction agreement in Jul
- History Museum predevelopment agreement in Feb

D. Significant Mayor & Council actions '07 and other notable activities:

- Town West major mixed-use development agreement approved Nov
- University of Arizona museums development agreement approved Aug
- long-range funding allocation plan approved in May
- long-range infrastructure plan adopted in May
- built westside infrastructure
- continued landfill and archaeology work
- released hotel solicitations
- Downtown Partnership created

E. Significant Mayor & Council actions post-extension May '06:

- Origins and infrastructure funding in Dec
- Depot Plaza development agreement approved Nov
- infill development incentive district established Oct
- west side master planning and infrastructure funded
- completed early arena, convention center expansion and hotel feasibility examinations
- cultural district / museums feasibility work completed

- housing market survey
- regulatory changes (land use code and waiver procedures)
- historic Rialto Theater HVAC investments