



MEMORANDUM

Date: September 8, 2021

To: The Honorable Chair and Members
Pima County Board of Supervisors

From: C.H. Huckelberry
County Administrator

A handwritten signature in black ink, appearing to read "CH", is written over the printed name "C.H. Huckelberry".

Re: Knott Development Update on Kino Sports & Entertainment Project

The Master Developer Partnership Agreement (MDPA) approved by the Board of Supervisors on July 6, 2021 requires updates from Knott Development every 60 days during the Pre-Development Work Phase. Attached is the first report covering the wide range of activities performed by Knott Development, as well as ongoing and upcoming efforts.

This report covers a broad range of topics including rebranding of the project as the "Mosaic Quarter"; selection of an executive director for the charitable foundation and associated efforts for promoting diversity in athletics; engineering, site design, materials and labor conditions; engagement and outreach to local school districts and JTED; interactions with City and County government; and outreach engagement with area neighborhood associations, chambers of commerce, local organized labor representatives, and health and wellness focused organizations.

As a whole, an impressive amount of work and progress has occurred in a relatively short timeframe. The next update is expected on November 6, 2021.

Attachment

c: Jan Leshar, Chief Deputy County Administrator
Carmine DeBonis, Jr., Deputy County Administrator for Public Works
Nancy Cole, Director, Capital Program Office
Reenie Ochoa, Director, Stadium District and Kino Sports Complex

September 6, 2021

Mr. Chuck Huckelberry
County Administrator
130 West Congress Street, 10th Floor
Tucson, Arizona 85701

Re: Development Report

Mr. Huckelberry:

This letter serves as an update on the progress associated with the development of our anchor elements, a report on the community outreach and engagement activities of which Knott Development continues to foster, as well as a glimpse into certain ancillary aspects of our work related to the development's operation. It is with a seminal element of our operations plan where we begin – rebranding Kino District.

With an incredibly diverse array of recreational sports organizations and programs interested in locating within the development, the forging of relationships and expanded facility programming options with non-profit organizations and local institutions, as well as name-based confusion surrounding the operational relationship between the development and the existing Kino Sports & Entertainment Complex facilities, three things became clear: (i) a new identity would better reflect the diverse athletic and entertainment programming occupying our anchor elements, (ii) a refined name and graphical representation would better represent our outreach to, and inclusion of, a myriad of athletic, cultural and socioeconomic groups, and (iii) an identity independent of the existing Kino facilities would simultaneously provide clarity of purpose and operation while highlighting the unique traits of each quadrant of the County's property - Kino North, Kino Central, Kino South and the formerly named Kino District. Having closely considered those points, we are pleased to announce that moving forward, our development will be aptly named Mosaic Quarter.



In its graphical representation, “Mosaic Quarter” adopts an art form that spans local cultures, epitomizes the maxim that a sum is greater than its individual parts, and demonstrates that strength and beauty emanate from the arrangement of unique and disparate parts. As a name, “Mosaic Quarter” reflects the diversity of athletic and entertainment options within the development, its design as a focused district of sport and entertainment, and its existence as one fourth of the Kino Complex. The incorporation of Kino Complex logo colors acknowledges its public private partnership with the County and relationship to the overall Kino Complex. The remaining mix of colors within the development’s signature icon serves as the visual embodiment of our aspiration to provide athletic and entertainment opportunities to all visitors through our site-based foundation. Over the next several months, the development’s new brand will appear throughout the region with interim updates and information, including our formal updates to the County, available via the following social media outlets: web (www.mosaicquarter.com), Instagram (@mosaicquarter), Twitter (@mosaicquarter) and Facebook (@mosaicquarter).

Site Foundation Updates.

In our Business Plan, we committed to establishing a charitable foundation to develop pathways for aspiring athletes to be involved in sport, with a particular focus on athletes facing barriers to participation. Too often, enthusiastic youth are relegated to the proverbial sidelines due to a long list of uncontrollable circumstances. Whether those barriers are economic, social, geographic, or based on race, gender or background, these prospective athletes frequently do not see a place for themselves within the sporting community. Our solution was the Athletics Inclusion Foundation, which was formed to create and maintain those pathways by which children of the diverse Southern Arizona communities could have both access to, and a home within, the sporting landscape of Mosaic Quarter. In tandem with our development rebranding, we are evolving the foundation’s identity to reflect the diversity of the community it serves and the varied athletic and athletics-linked programming it supports. As a result, we’re pleased to announce that the foundation will now be known as the Mosaic Foundation.

Mosaic Foundation’s name and forthcoming logo, epitomize our belief that the strongest community is one built on diversity and accessibility. Just as Mosaic Quarter’s branding is designed to reflect an art form that creates strength and beauty from disparate elements, so too is the Mosaic Foundation’s mission – to create a home for athletes of not only varying sports, but with different competition levels and facility needs and from varied cultures and backgrounds. We believe that each athlete and individual deserves the opportunity to celebrate sport as we do, as a critical element in building up and strengthening the larger County community. It is with this mission in mind that I am pleased to announce that Jeremy Bow, currently the President of the Junior Roadrunners Youth Hockey Association, has accepted my offer to lead the Mosaic Foundation as its Executive Director.

I have given Jeremy the mandate to break down all barriers to youth sports participation within Southern Arizona. Based on our joint beliefs, Jeremy’s leadership will begin by engaging Southern Arizona communities and listening to the needs and challenges of both individual families and organizations that represent children whose participation has been historically marginalized and/or discouraged. Through a carefully curated and ever-evolving selection of targeted financial aid, custom-tailored programming and athletics-oriented educational opportunities, Jeremy will lead the Mosaic Foundation in the dismantling of barriers in order to establish a sporting landscape within the County that provides every child with the opportunity, and the mechanisms, to participate in the athletic activities maintained within Mosaic Quarter.

Jeremy and I likewise share an unwavering commitment to and for the Mosaic Foundation’s operations - applying the same principles of representation and access to staffing and administration. We believe that the Mosaic Foundation cannot adequately serve Southern Arizona’s vast and diverse communities without having those same voices represented within the administrative and staffing ranks. As Jeremy selects his administrative staff and programming directors, his charge will be to recruit from our served communities in order to better understand the addressable needs and challenges. In both his professional career and volunteer efforts over the past five years with the Junior Roadrunners, Jeremy has demonstrated his connection to local communities and his passion for serving and uplifting marginalized and underrepresented people

that make him a known force for good in Southern Arizona. Even during the infancy of his Mosaic Foundation tenure, Jeremy's leadership has already resulted in the forging of relationships with similarly devoted organizations to identify immediate needs and catalyzing exciting programming partnerships that will serve the County for years to come.

In the coming months, the Mosaic Foundation will begin unveiling a number of opportunities and forms of aid for youth athletes. Jeremy and I believe there already are, and will continue to be, areas where the Mosaic Foundation can make an immediate impact on the lives of Southern Arizona youth. To this end, and in conjunction with Knott Development's first initial contribution to the Mosaic Foundation, Jeremy is proactively gathering input from community leaders to establish programming and aid packages, including grants for specialized protective equipment for HIV positive athletes, transportation for those in rural areas and for displaced or houseless youth, assistance in the procurement of adaptive equipment for differently-abled athletes, programming in partnership with Mosaic Quarter and local school districts to expand both extracurricular programming and physical education offerings, as well as programming to create a welcoming environment where BIPOC and LGBTQ+ athletes feel celebrated and at home.

Epitomizing his commitment to the Mosaic Foundation and to Southern Arizona youth sports, Jeremy has established the Jeremy P Bow Award for Rising Leaders in Diversity and Athletics. To be funded personally by Jeremy through the Mosaic Foundation, the award supports the idea that young athletes who are engaged outside of sport within their community are the most effective grass-roots voices in fostering an environment of diversity and accessibility within sport. The annual award will be given to a youth athlete active within Mosaic Quarter programming who demonstrates leadership in supporting inclusion and amplifying diverse voices both in their community and sport. The award includes a "full ride" athletics scholarship (up to \$4,000) to cover registration, tournament fees, etc. for one athletic season and a \$1,000 cash award to the athlete. Jeremy's goal, as shared by the Mosaic Foundation and Knott Development, is to identify young athletes working within their environment (school, church, community, etc.) to support and advocate for diversity and representation and thus encourage those inclusionary values and lessons within the team and program environment.

With so many opportunities to reach and serve young, aspiring County athletes, Jeremy's work at the Mosaic Foundation will be one of the most exciting aspects of the Mosaic Quarter project.

Development Updates

As we progress through anchor element design and final site planning during this Predevelopment Phase, certain impactful constraints are guiding the finalization of facility design and sitewide development planning. From a facility location standpoint, the Arizona Department of Transportation has released its proposed rights of way linked to forthcoming Interstate 10 interchange modifications. These rights of way have resulted in a loss of usable space for anchor elements and accompanying surface parking. In a similar manner, an El Paso Gas easement running within the property that prohibits encroachment has limited previously anticipated surface parking development. From an infrastructure perspective, an existing 36-inch sewer interceptor and its associated relocation costs have resulted in adjusted anchor and support element facility placement. Given the site's proximity to the Julian Wash, both the wash's construction and updated interpretations of certain U.S. Army Corps of Engineers permitting regulations have caused additional site plan adjustments. The management of both Section 404 (improvements occurring within the Julian Wash) and Section 408 (improvements affecting an existing concrete channel) permitting constraints and approval timelines required an adjustment to facility and internal roadway improvement placement. Finally, offsite drainage discharge from the County's existing Kino South complex requires the installation of additional drainage facilities which correspondingly impacts facility placement.

Layered on top of site-specific constraints are labor and materials impacts which generate facility design choices. The labor market within the Southwest region remains tight as Intel and TSMC fabrication plant construction activity strains the available labor pool. As is typical with supply and demand relationships, the tight labor market has driven labor costs in excess of Davis-Bacon rates. Moreover, materials costs and procurement lead times remain exacerbated in reaction to

pandemic-related constraints and federal stimulus to the construction market. Together, these operational constraints drive facility design and implementation decisions.

While these unique constraints provide certain unanticipated design and improvement placement challenges, they are by no means insurmountable. Along with our design and construction teams, we have been formulating and implementing the necessary adjustments to adapt to site-specific constraints and market conditions while still realizing the lifestyle center atmosphere, community participation, and economic development opportunities outlined in our Business Plan. We anticipate releasing the detail of our sitewide solutions to these obstacles in our November 6th update.

Community Engagement – Educational Outreach.

Since our June 28th community outreach update, we have embarked in an effort to not merely introduce ourselves to, but substantively engage with, local school systems. Already we have initiated contact with the following County school districts – Vail, Ampitheater, Flowing Wells and Catalina Foothills School Districts, as well as Sunnyside, Sahuarita, Tanque Verde, Marana and Tucson Unified School Districts. To date, we have begun meeting with the Superintendents of multiple districts with more being scheduled weekly. We will then progress to meetings with individual school staff based on the recommendation and guidance from Superintendents.

Our discussions with each school district are designed to be multifaceted and promote a long term, solutions-based relationship. Our plan for each meeting involves providing an overview of Mosaic Quarter, highlighting anchor element programming flexibility as exemplified by our separate efforts to creatively serve and work with local nonprofit organizations. From there, our focus shifts to listening. Using the extension of Mosaic Quarter for the benefit of nonprofit organizational programming, we seek school leadership opinions in response to two seminal questions: “What are your supplemental athletics facility needs and programming goals?” and “What currently unavailable, or extension of existing, programming would assist the school district in meeting its mission to students and their families?” As is the case with our development ethos, we do not carry preconceived notions or formulaic solutions into these meetings. Our goal is to identify specific, individualized needs, engage in a discussion on how those needs can be addressed from the school district’s perspective, share our thoughts on implementation of Mosaic Quarter-based solutions, and repeatedly reengage with additional school district administrative personnel to craft solutions mutually suitable for each school district and Mosaic Quarter.

Our most recent discussions with Flowing Wells and Sahuarita Unified School Districts have encouraged us in both our approach, and in the eagerness of local educational leaders to find new and creative ways to engage with their students and families through innovative partnerships with Mosaic Quarter. In each case, opportunities for Mosaic Quarter to support after school athletics and enrichment programs as well as unique ways in which Mosaic Quarter could serve each school district evolved during the discussions. Based on the scope of possible partnerships, we will be engaging in additional planning sessions with each school district’s administrative and athletic staff and identifying methods of transportation available to fully implement specifically designed programming solutions.

Simultaneously with our school district meetings, we have commenced a secondary engagement track with the nonprofit foundations that directly support school district students and families. This branch of our outreach includes the Mosaic Foundation and an extension of its mission to impact the lives of Southern Arizona. Instead of creating the support mechanisms or taking the programming initiative, we desire to supplement and enhance existing efforts and resources. For example, in meetings with the Sunnyside Foundation (SUSD supporting foundation) and Educational Enrichment Foundation (TUSD supporting foundation), we discovered programming and partnership opportunities where the combination of Mosaic Quarter facilities, Mosaic Foundation resources and existing school district foundation activities could expand support to students and their families.

In parallel with our efforts to serve local school districts and compliment their associated foundations, we engaged in a preliminary discussion with Pima Joint Technical Educational District (JTED). Our goal was to discover opportunities separate from athletics facilities usage through which Mosaic Quarter could combine forces with JTED. Our discussion with its leadership focused on potential internship programs in the sports medicine, athletic facilities management and hospitality management, etc. Stemming from our JTED meeting, we are examining other areas of our programming and facilities operations to identify additional internship opportunities through which we could create a formalized JTED partnership. For example, due to our expansive anchor element construction schedule, we believe there exist abundant opportunities for different types of internship within, and exposure to, the construction management segment of the development industry. We will be holding additional meetings with JTED leadership to distill the currently available opportunities and to foster the creation of Mosaic Quarter-specific opportunities during the development, construction and operational phases.

Community Engagement – Governmental Outreach.

Following our meeting with Rio Nuevo regarding the implementation of our overall Mosaic Quarter development plan and, specifically, our operational plan for a multipurpose arena within Mosaic Quarter, we met with the Mayor and City Manager of the City of Tucson. During our meeting, we reiterated the commitment made to Rio Nuevo – making adjustments to our Mosaic Quarter Arena plan in order to remove detrimental intra-facility competition with the TCC Arena. In addition, we attempted to promote the benefits associated with the co-marketing and cross marketing opportunities available via the expansive event schedule poised for release by TCC management and the tournament-enhancing and touring production-viable aspects of the combination of the Mosaic Quarter Arena and the TCC Arena. As we had outlined for Rio Nuevo, we assured the Mayor and City Manager that our facility adjustments would be made during the current Predevelopment Phase. In a follow-up effort, we held an additional meeting with TCC Management and a representative of the City of Tucson to expand on our development plan and operational goals for the Mosaic Quarter Arena. In this endeavor we again emphasized our commitment to Rio Nuevo, the Mayor and the City Manager while seeking the application of coordinated and linked programming opportunities.

In addition to the City of Tucson, we convened a meeting with the Mayor of the City of South Tucson to discuss our Mosaic Quarter development plan. This discussion was focused on opportunities to extend the tourism-related benefits associated with Mosaic Quarter athletic tournament activity to businesses resident within the City of South Tucson. In a similar manner to our discussions and planning with Visit Tucson, we committed to working with the Mayor to implement affinity-based marketing programs designed to drive dining business from tournament attendees to their local restaurants.

We have likewise met with additional divisions of the County government. In a joint meeting with Health Department and Community & Workforce Development leadership, we explored opportunities to expand our sports-related health and wellness offerings and implement efforts to train and hire residents from areas immediately surrounding Mosaic Quarter.

Community Engagement – Neighborhood Association Outreach.

In conjunction with our existing outreach to the Southside Neighborhood Association Presidential Partnership, we have initiated contact with several neighborhood associations in Mosaic Quarter's vicinity. Among those contacted are Sunnyside Neighborhood Association, Bravo Park Neighborhood Association, Las Vistas Neighborhood Association, South Park Neighborhood Association and Pueblo Gardens Neighborhood Association. In each case, we commence our engagement efforts with the association leadership and are providing the Mosaic Quarter business plan and any subsequently requested materials. Our goal is to engage with association leadership, respond to all questions and concerns and, ultimately, provide the members of each association with in-person and/or virtual town hall meetings to address Mosaic Quarter's development plan and schedule, our plan to avoid complications for neighborhood residents during construction and solicit ideas for each

association's participation in the fabric of Mosaic Quarter. Based on responses from existing association contacts and our current scheduling discussions, we anticipate a more detailed neighborhood association report in our November 6th update.

Community Engagement – Organizational Outreach.

After an initial and highly productive meeting with the Tucson Hispanic Chamber of Commerce, we continue to work with Chamber leadership to discover and implement multiple strategies to engage and support the Chamber and its constituents. Knott Development is now a member of the Chamber and is serving as an Expo Sponsor to the Hispanic Market Outlook & Expo in October. In conjunction with, but separate from, that sponsorship, Knott Development developed a plan with Chamber leadership to support young adult members of the local community by providing exposure to the business world and, specifically, development design and construction. Knott Development has sponsored the attendance of eight Latinx high school students at the Expo, to be selected by the Chamber. Our shared goal is to introduce these students to an aspect of the business world to which they may not have been previously exposed. It is my hope that their interaction with the many Expo-presenting businesses will drive these students to career and life-changing aspirations, much as my exposure to the development and construction business drove my professional passion. In an effort to extend our efforts beyond the Expo, we are designing a program with Chamber leadership to include Latinx students in our development and construction process. Currently, our plan includes the participation of one student per month, as chosen by the Chamber, in our Owner Architect and Contractor meetings. These monthly meetings of our entire design and construction teams will provide a unique glimpse into the design, engineering, construction and operational aspects of Mosaic Quarter. There, students will gain access to an often unseen aspect of the problem solving and creativity challenges experienced within large-scale development and construction. They, likewise, will join me and other members of our team for the post-meeting site visit where the students will tour the construction site and enjoy devoted discussion time with the development team over my family's traditional post-OAC meeting lunch. I am hopeful that this experience will lead students to aspire to a career in the development industry. Lastly, in an effort to engage with and include Chamber constituents within Mosaic Quarter, we are working with Chamber leadership to create a series of town hall events, both general and industry specific, to introduce the multiple opportunities available to work within and alongside Mosaic Quarter. These events will, for example, seek business owners for inclusion in our dining and retail support elements and the creation of affinity-based marketing programs to extend the benefits of our tourism-based athletic tournaments to as many Chamber-related businesses as possible.

In related chamber of commerce engagement, we have held an initial meeting with the Greater Vail Chamber of Commerce. Among the various opportunities we sought with the Chamber were town hall events for member businesses to learn more about Mosaic Quarter. Our goal in this effort is to not merely introduce Mosaic Quarter, but to seek local business participation in the development itself and as a linked partner in our tournament programming. In order to provide salient information to specific industry segments represented within the Chamber, we have offered to provide both general town hall events and supplemental sessions uniquely focused on the hospitality, restaurant and retail segments of the Vail business community. As we implement our planning for these events with Chamber leadership, we accepted an invitation to become a member of the Chamber and to present our vision for Mosaic Quarter at a Chamber breakfast meeting to commence our direct engagement with the Vail business community.

As noted in our prior community engagement report, we also are developing a relationship with the Tucson Metro Chamber of Commerce. On October 6, I will be presenting Mosaic Quarter to the Chamber's Emerging Leaders Council and anticipate a robust discussion on the positive impacts for, and opportunities available to, Chamber members. In addition, and in conjunction with becoming a member of the Chamber, we are working with their leadership on a series of town hall events to focus on specific areas of business represented by Chamber members. As is the case with other chambers of commerce, our goal is to provide information and opportunities to Chamber members who wish to either locate within Mosaic Quarter or have a tournament-based affiliate relationship to targeted tourism spending outside of Mosaic Quarter and to their specific area of the County.

In a continuation of our Mosaic Foundation-supported commitment of Mosaic Quarter facilities to Science of Sport and its local, sports-premised STEM curriculum, we enjoyed an additional opportunity to meet with another impactful local organization, Higher Ground. Sharing a vision that achievement gaps do not exist, but that opportunity gaps are pervasive, we met with Higher Ground leadership to discover how Mosaic Quarter could assist their students and extend the group's mission. We discovered a mutually beneficial athletic opportunity in the form of Higher Ground's judo program. Currently housed in a confined area of a middle school, Mosaic Foundation support for extension of the judo program to the Field House creates a unique opportunity for the expansion of this segment of Higher Ground's mission. To further enhance the beneficial linkage between Higher Ground and Mosaic Quarter, we are introducing Higher Ground to Science of Sport in order that the two organizations can cross program using their unique focal points of student service.

Related to our development efforts, we have met with the Pima Area Labor Federation (PALF) to discuss Mosaic Quarter construction matters. As indicated in my May 18th letter, I and my team are focused on hiring as many County construction workers as possible for the development of Mosaic Quarter. This desire extends to firms whether or not they are organized. On September 10th I will be presenting Mosaic Quarter to PALF and its membership and look forward to the continuation of our initial discussion where I highlighted our principles related to equal opportunity and subcontractor bid evaluation and an extension of that discussion to topics and matters specific to PALF and its members. With multiple trade union representatives in attendance, I expect a robust exchange of ideas leading toward widespread employment for County-resident construction workers.

Although separate from our governmental outreach, our burgeoning relationship with Activate Tucson will permit us to extend Mosaic Quarter's health and wellness efforts. Resulting from the Mayor of Tucson's Healthy Tucson and the YMCA's Pioneering Healthier Communities initiatives, Activate Tucson will become a part of the Mosaic Quarter programming support team. Our goal in this effort is to advance healthy living concepts to athletes and visitors alike in order that Mosaic Quarter is not solely a collection of athletic and entertainment venues, but a development that promotes the entire ecosystem of healthy living. As an extension of our relationship with Activate Tucson, we met with Banner-UMC leadership to introduce Mosaic Quarter and to discover mutually beneficial ways in which to partner and promote health and wellness throughout our facilities. We believe that our work with both organizations and the combination of Mosaic Quarter facilities and Mosaic Foundation resources in support of these efforts will create health and wellness educational and functional opportunities for all County residents.

Thank you for the opportunity to detail our development progress and our continued focus on community outreach and engagement. I would welcome the occasion to discuss these efforts in more detail with you, County staff or the Board of Supervisors as the County desires.

Regards,



Frank Knott