

**Pima County Bond Advisory Committee
Meeting**

**Friday October 24, 2014
8:00 A.M.**

**River Park Inn
350 S. Freeway
Tucson, Arizona**

SUMMARY OF MEETING

Committee Members Present

Larry Hecker, Chair
Carolyn Campbell, Vice Chair
Joe Boogaart
Ed Buster (arrived at 8:10 a.m.)
Donald Chatfield (left at 11:25 a.m.)
Gary Davidson
Tom Dunn
Brian Flagg
Kelly Gomez (arrived at 9 a.m.)
Kelly Gottschalk
Terri Hutts
Michael Lund
David Lyons (arrived at 8:10; left at 10:30)
Ted Prezelski
Patty Richardson
Chris Sheafe
Matt Smith (arrived at 8:10 a.m.)
Dan Sullivan
James Ward
Tom Warne (left at 11:05 a.m.)

Committee Members Absent

Paul Diaz
Rene Gastelum
Wade McLean
John Sundt
Greg Wexler

MOTIONS

MOTION: Terri Hutts moved, seconded by Dan Sullivan, to approve the October 10, 2014 meeting summary. Motion approved 16-0.

MOTION: Terri Hutts moved, seconded by Tom Dunn, to approve \$6 million for the Tucson Children's Museum. Motion approved 19-0.

MOTION: Tom Warne moved, seconded by Dan Sullivan, to move the Reid Park Zoo African Expansion Phase II forward at \$10 million. Motion approved 16-3.

MOTION: Terri Hutts moved, seconded by Tom Dunn, to remove the Pima County Southeast Regional Park Horse Racing Facility project. Motion approved 18-0.

MOTION: Terri Hutts moved, seconded by Don Chatfield, to remove the Tucson Visual Arts Complex project. Motion approved 18-0.

MOTION: Terri Hutts moved, seconded by Chris Sheafe, to move the Pima Air and Space Museum forward at \$4 million without a required match. Motion approved 19-1.

MOTION: Terri Hutts moved, seconded by Ed Buster, to continue the Colossal Cave project to a later meeting. Motion approved 18-1.

MOTION: David Lyons moved, seconded by Dan Sullivan, to move the Old Pima County Courthouse project forward at \$35 million. Motion approved 17-3.

MOTION: Vice-Chair Campbell moved, seconded by Gary Davidson, to approve \$9.162 million in funding for the Desert Museum jaguar exhibit and water infrastructure needs. Motion approved 20-0.

MOTION: Dan Sullivan moved, seconded by Michael Lund, to continue the Old Tucson project to another meeting date to get more information on negotiations with the County. Motion approved 17-3.

MOTION: Brian Flagg moved, seconded by Chris Sheafe, to move forward the Canoa Ranch project at \$15 million. Motion approved 17-3.

MOTION: Kelly Gottschalk moved, seconded by Tom Dunn, to move the Southern Arizona Orientation Center forward at \$15 million. Motion approved 17-3.

MOTION: Tom Dunn moved, seconded by Kelly Gottschalk, to move the Downtown Community Theaters and Historic Cultural Landscape project forward at \$28 million. Motion approved 18-1.

MOTION: Tom Dunn moved, seconded by Ed Buster, to move the Temple of Music and Art project forward at \$900,000. Motion approved 16-1.

MOTION: Patty Richardson moved, seconded by Dan Sullivan, to adjourn the meeting. Motion approved 17-0.

MEETING SUMMARY

1. Welcome

The meeting began at 8:04 a.m. with a quorum.

2. Approval of the October 10, 2014 meeting summary

MOTION: Terri Hufts moved, seconded by Dan Sullivan, to approve the October 10, 2014 meeting summary. Motion approved 16-0.

3. Planning for a possible 2015 bond election – Museum and Tourism Facilities

Chairman Hecker provided guidelines for public comment. Nicole Fyffe provided a list of hard copy items that had been provided to each Committee member at the meeting.

Update from the County Administrator

Mr. Huckelberry covered the following:

- Children's Museum has committed to a \$6 million private funding match.
- The results of the Colossal Cave audit will be considered by the Board of Supervisors on November 18 and therefore the Committee may wish to defer this item until after that.
- The Fairgrounds is opposed to locating a horseracing facility there, so that's probably an easy deletion.
- The two Fairgrounds projects could be considered together.
- Materials for the Old Tucson project were delivered late, but what still is of concern is when or how the for profit organization that holds the lease on County land will transition to a non-profit organization.
- Canoa Ranch project should be decreased from \$18 million to \$15 million.
- The Zoo has a much more detailed plan than they did originally and I support the increased request to \$10 million.
- Orientation Center project is likely the best planned project on the list.
- Temple of Music and Art – some of the Committee members visited this week.
- Tucson Visual Arts Complex project has no sponsors and should be deleted.

Tucson Children's Museum

MOTION: Terri Hufts moved, seconded by Tom Dunn, to approve \$6 million for the Tucson Children's Museum.

Committee discussion points:

- Can't support throwing money at projects that won't be effective in driving economic recovery.
- Important to support projects that open opportunities to educate youth.
- Don't overlook the potential for revenue enhancements as a result of these projects.
- Enjoyed the tour and think it is a wonderful facility, but think the project should not start until 80% of the private funding is secured.

Motion approved 19-0.

Reid Park Zoo African Expansion Phase II

MOTION: Tom Warne moved, seconded by Dan Sullivan, to move the Reid Park Zoo African Expansion Phase II forward at \$10 million.

Committee discussion points:

- I don't support keeping animals in zoos.
- Criticism that the project started at \$3 million and increased to \$10 million.
- We don't have to be world class at everything.
- Could private fundraising be increased from \$10 million to \$15 million so that the bond funding could be decreased from \$10 million to \$5 million? Response from Nancy Schlegel, Zoological Society President was that it could be done but it would take longer.
- Support for the project as it will likely bring voters out for other projects.
- What are the ticket costs? Jason Jacobs, Zoo Administrator, replied \$9 for adults, \$5 for children, \$2 for school trips, discount memberships for social service groups, free and discounted days.
- Over 500,000 people visit the zoo annually.

Motion approved 16-3.

Pima County Southeast Regional Park Horse Racing Facility

MOTION: Terri Hutts moved, seconded by Tom Dunn, to remove the Pima County Southeast Regional Park Horse Racing Facility project. Motion approved 18-0.

Tucson Visual Arts Complex

MOTION: Terri Hutts moved, seconded by Don Chatfield, to remove the Tucson Visual Arts Complex project. Motion approved 18-0.

Pima Air and Space Museum

MOTION: Michael Lund moved, seconded by Don Chatfield, to move the Pima Air and Space Museum project forward at \$10 million.

Committee discussion points:

- Attendance numbers? Scott Marchand, Museum Director, replied that they had 170,000 paid visitors, plus 40,000 children on school tours.
- Concern that the project sheet states that for \$10 million the museum expects a 10 % increase in attendance, which would be 17,000 additional visitors, but only 14% of those would be expected to be Pima County residents even though that is who is paying for the bonds.
- Director stated that the Museum employs 60 people and is a strong tourism driver for the region.
- Could the project could be scaled down or fundraising increased? Director responded that both may be possible, but he'd have to consult his board.

- Like the Zoo this is a good educational project.
- The point of tourism is to bring money into Pima County.
- Various motions were discussed including deleting the project, supporting the project at \$4 million but requiring a match, and requiring a 50% match up to \$10 million. These were all either withdrawn or didn't become formal motions.

MOTION: Terri Hutts moved, seconded by Chris Sheafe, to move the Pima Air and Space Museum forward at \$4 million without a required match.

The Director stated that the theater would have to be dropped from the scope to reduce the cost of the project.

Motion approved 19-1.

Colossal Cave Mountain Park

MOTION: Terri Hutts moved, seconded by Ed Buster, to continue the Colossal Cave project to a later meeting.

Two members of the public that submitted speaker cards chose to pass. Martie Maierhauser spoke in support of the project.

Motion approved 18-1.

Pima County Fairgrounds

Mr. Huckelberry was asked about usage of the facility. In response he stated that the Fairgrounds see a diversity of uses, with peak use occurring during the County Fair, which stretches the capacity of the existing infrastructure. The County has made no significant investments in the facility. The Southwest Fair Commission, a non-profit, reinvests all profits back into the facility and has therefore been making minor investments annually. There has been an increased interest in RV bookings at the facility. It was clarified that the Commission intends to provide \$600,000 in funding towards each of the two projects, for a total commitment of \$1,200,000.

MOTION: Terri Hutts moved, seconded by Chris Sheafe, to approve both Fairgrounds projects at the recommended amounts of \$4.25 million and \$3.2 million. Motion approved 19-0.

Old Pima County Courthouse Restoration and Repurposing, January 8th Memorial and Tucson Museum of Art

Mr. Huckelberry broke the cost of the \$35 million project out as follows: \$16 million for 1st floor renovation, \$12 million for 2nd and 3rd floor renovations and the dome, \$4-5 million for plazas, and the remainder for inflation.

Public Comments:

The following people spoke in support of the January 8th memorial project:

Former City of Tucson Mayor Bob Walkup
Ken Dorushka
Roy Kurtz
Dr. Randy Friese

MOTION: David Lyons moved, seconded by Dan Sullivan, to move the Old Pima County Courthouse project forward at \$35 million.

Committee discussion points:

- Confusion between the stand-alone former Tucson Museum of Art project and the Courthouse project that now includes the Art Museum.
- The benefit of bringing the public back to into such a magnificent old county courthouse through the art museum exhibit and January 8th Memorial.
- Would admission be charged separately for the museum vs. the memorial? The programming has yet to be determined.
- What happened to the \$10 million endowment for the art exhibit? Robert McNight, Director of the Tucson Museum of Art, explained that during the recession they lost the commitment for the endowment, but are still committed to funding the operating and maintenance costs.
- Would events still be held in the courtyard? Yes.
- The January 8th Foundation is able to solicit and accept donations.
- The projects should be constructed together.
- Can the project cost be reduced? Mr. Huckelberry replied that additional details will be considered over the next 30-60 days that could reduce the price.
- European tourists continue to be attracted to Tucson because of the opportunities to experience the old west, which should make this art exhibit a popular one.
- This project will be a substantial addition to downtown attractions.
- The City of Tucson contributed to the master planning for the January 8th Memorial.

Motion approved 17-3.

Arizona-Sonora Desert Museum

Public comment in support of the Desert Museum project:
Arch Brown

MOTION: Gary Davidson moved, seconded by Dan Sullivan, to move the Arizona-Sonora Desert Museum project forward at \$10.162 million.

Committee discussion points:

- Support the project, but wish they were providing more matching funds.
- In 2004 the museum raised over \$7 million to more than match the County's \$1 million.
- Could the three components be built separately or without one or more of the components? Craig Ivanyi, Museum Director, responded that yes they could be

built independently, that the jaguar exhibit was the Museum's top priority and that the Dome project makes up about \$1 million of the request.

Original motion was withdrawn.

MOTION: Vice-Chair Campbell moved, seconded by Gary Davidson, to approve \$9.162 million in funding for the Desert Museum jaguar exhibit and water infrastructure needs. Motion approved 20-0.

Old Tucson

Public comment in support of the Old Tucson expansion project:

Ted Stahr

Lynn Liston

Lois Liston

Brent DeRaad

Committee discussion points:

- What will the difference be from the current Old Tucson? Mr. Huckelberry replied that Old Tucson is currently a for profit operation and the proposal is to convert it to a non-profit educational operations, but it is still unclear when and how that would happen.
- What is the history of the non-profit? Bill Risner stated that he assisted in the creation of the new non-profit and that there are a lot of outstanding issues that need to be addressed including the transfer of the County land lease to the non-profit.

MOTION: Dan Sullivan moved, seconded by Michael Lund, to continue the Old Tucson project to another meeting date to get more information on negotiations with the County.

Discussion continued:

- Concern about supporting Old Tucson.
- It was the 2nd greatest Tucson attraction in its day.
- It should be privately funded.

SUBSTITUTE MOTION: Brian Flagg moved, seconded by Kelly Gottschalk, to vote no on the Old Tucson project.

Discussion continued:

- Concern about gift clause violations if the transfer to non-profit is not completed successfully.
- Materials state that they will double their 72 employees but only increase admission prices by 28 percent.

Substitute motion failed 15-5.

Original Motion to continue the item to the December 12 meeting was approved 17-3.

Canoa Ranch

Mr. Huckelberry stated that the cost has been reduced from \$18 million to \$15 million.

Public comments in support of the Canoa Ranch project:

Tom Sheridan
Karen Cesare
Dan Brocias

Committee discussion points:

- Parks and Recreation subcommittee recommended completing this project in phases.
- This project was recommended by Mr. Huckelberry in place of the Green Valley Performing Arts Center that was of equal cost but deleted earlier in the process.
- The history of Canoa Ranch and Anza Day event coming up.
- Does the County have attendance figures? No.

MOTION: Brian Flagg moved, seconded by Chris Sheafe, to move forward the Canoa Ranch project at \$15 million.

Discussion continued:

- Size of Canoa Ranch is about 4,000 to 5,000 acres.
- The footprint of the developed area is about 100 acres.
- The average cost per acre for the County to manage general open space is approximately \$7 an acre.

Motion approved 17-3.

Southern Arizona Orientation Center

Public comments in support of the project:

City Councilmember Regina Romero
Jim Cook, Western National Parks Association Director
Roger Pfeuffer, City of Tucson Bond Committee member
Les Corey, Board member Western National Parks Association

It was clarified that funding for the irrigation of trees along the Santa Cruz River is not included in this project.

MOTION: Kelly Gottschalk moved, seconded by Tom Dunn, to move the Southern Arizona Orientation Center forward at \$15 million.

Committee discussion points:

- Is land acquisition price part of the project? No, City is deeding land to the County, but the value of the land could be considered other in kind funding.
- P. 23 of the report discusses the many partners and the fact that the City and County will not be funding operations.

- This project involved a high level of collaboration and will be a seed for development on the west side of the freeway.
- The University of Arizona should contribute to operating costs.
- Report was very broad, but it is still not clear what the scope of the project is.
- The report is more focused on programming. The building will be approximately 25,000 s.f., include displays, staffers from federal park agencies to greet and inform visitors, Visit Tucson and Western National Parks Association will primarily staff the facility, outdoor amphitheater, utility extensions and environmental remediation.
- Need to cater to drive by tourists and convert them into multi-day stays.
- Location for the center is a great idea.
- Will the budget be further refined? Yes, and more details will be provided on the scope.

Motion approved 17-3.

Downtown Community Theaters and Historic Cultural Landscape

Public comments in support of the project:

- Karla Van Drunen Littooy
- Bonnie Kampa
- Brent DeRaad
- Barbara Levy
- Howard Steele
- Elaine Becherer
- Shawn Campbell
- Helen Erickson
- Roger Pfeuffer
- Lynne Birkinbine
- Karen Cesare

MOTION: Tom Dunn moved, seconded by Kelly Gottschalk, to move the Downtown Community Theaters and Historic Cultural Landscape project forward at \$28 million.

Committee discussion points:

- Concern about maintenance in the future.
- No concern about maintenance due to the responsiveness of current project managers.
- Attended an event at the Music Hall and it is definitely in need of improvements.
- We have to cut some projects. Perhaps Rio Nuevo should fund this.
- Will the Music Hall lose seats by expanding their size? Yes, but the Symphony is not concerned about that.
- The City has recently invested \$18 million in the Tucson Convention Center and Rio Nuevo has invested \$8 million.
- Support for taking care of facilities that we already have.

Motion approved 18-1.

Temple of Music and Art

A presentation was made by the City's Jonathan Mabry since the Committee had postponed their presentation in June.

Committee discussion points:

- Although there are no matching funds for the bond project, the Arizona Theater Company does contribute \$250,000 annually to operations and maintenance.
- Concern that the leaking roof will not last 2 years until bond funds are available.
- Patrons underwrite the cost of performances.
- Recent successful fundraising event.

Public comments in support of the project:

Barbara Sullivan

Alva Torres

James Gangi

Don Gest

MOTION: Tom Dunn moved, seconded by Ed Buster, to move the Temple of Music and Art project forward at \$900,000.

Discussion continued:

- Not a diverse support group.
- This is a modest proposal.
- Support for the project after seeing the need during the tour.
- They should fund these improvements through private fundraising.

Motion approved 16-1

4. Call to the Audience

Shelly Duncan spoke in support of adding youth baseball fields to the Kino Sports Complex expansion.

4. Next Meeting

The next meeting is on November 7 at River Park Inn and the topic is Historic, Cultural and Natural Area Conservation.

5. Meeting Adjourned

MOTION: Patty Richardson moved, seconded by Dan Sullivan, to adjourn the meeting. Motion approved 17-0.

Meeting adjourned at 11:34 a.m.

Note that speaker cards for those members of the audience that selected not to speak or submitted speaker cards but did not speak are attached to this meeting summary.

