

Rio Nuevo to receive \$453.5M in bonds

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Pushing to make Rio Nuevo Downtown redevelopment a reality, the City Council on Wednesday unanimously approved nearly \$454 million in bonds — to be sold over the next six years. It is anticipated the money would fund all of Rio Nuevo's planned major projects.

Almost \$277 million would be funded in two or three bonds sales between now and 2010. The remainder of the bonds, which would be repaid from Rio Nuevo's special sales tax receipts, would be sold in 2014. City financial planners estimate interest on the bonds will be about \$302 million. Even with the interest payments, they calculate Rio Nuevo will have \$190 million left over after the bonds are sold.

Although it has long been estimated Rio Nuevo's special taxing district would bring in about \$600 million, the financial advisers said that figure is based on current dollar values. With inflation through 2025, when the taxing district expires, they say the actual take will be closer to \$961 million.

Rio Nuevo Director Greg Shelko said the bond approval should show the Legislature the city has "made serious progress" with Rio Nuevo, and it is doing everything it can to make Downtown redevelopment happen.

The city's bonding plan allows for construction of all the major Rio Nuevo projects — a new arena, a University of Arizona Science Center, the Arizona Historical Society Museum and the re-creation of Tucson's birthplace, the Mission San Agustín — by staggering the funding over several years for each project.

Other major projects, including a publicly financed convention center hotel and refurbishing the Tucson Convention Center, would get \$10 million each. Shelko said the convention hotel would also be funded with separate bonds based just on revenues from the proposed 700-room hostelry.

How numbers stack up

Rio Nuevo Bond Schedule	2008	2009	2010	2014
Infrastructure	\$7M	\$10M	\$10M	\$12M
Mission San Agustín	\$3M	\$11M	\$11M	
Arizona History Museum	\$3M	\$2M	\$40M	
UA Science Center	\$65M	\$60M		
Children's Museum	\$1.2M	\$8.8M		
Convention Center Hotel	\$10M			
New Arena	\$10M	\$50M	\$40M	
Tucson Convention Center	\$10M			
Parking	\$10M	\$10M		
Barrio Viejo Infrastructure	\$2M			
Barrio Sin Nombre Infrastructure	\$2M			
Tucson Museum of Art Parking	\$2M			
West Side Library	\$500K	\$4.5		
Depot Plaza/MLK Parking Garage	\$12.2M			
Depot Plaza/MLK Public Plaza	\$1.4M			
Fox Theatre Bond Refinance	\$3.64M			
Cushing Street Bridge	\$10M			
Clark Street Underpass	\$9M			
Landfill Remediation (West Side)	\$5.4M			
West Side Parking Structure	\$17.3M			
Totals	\$73M	\$112.5M	\$91M	\$177M

Source: City of Tucson