



BOARD OF SUPERVISORS AGENDA ITEM REPORT
AWARDS / CONTRACTS / GRANTS

Award Contract Grant

Requested Board Meeting Date: 03/19/2024

* = Mandatory, information must be provided

or Procurement Director Award:

***Contractor/Vendor Name/Grantor (DBA):**

Infinite Concepts, LP, a Vermont limited partnership

***Project Title/Description:**

4051 E. Paradise Falls Dr., Pima County, Arizona/Development Agreement

***Purpose:**

To enter into a Development Agreement between Infinite Concepts, LP, a Vermont limited partnership ("IC") and Pima County as authorized by A.R.S. § 11-1101 for the development of 6.919 acres of vacant land located at 4051 E. Paradise Falls Drive, Tucson Arizona, 85712 (RPS: Sale-0078)

***Procurement Method:**

Exempt per Pima County Code Section 11.04.020

***Program Goals/Predicted Outcomes:**

The goal of this Development Agreement is to allow IC to plan (Pre-development Phase), construct (Construction Phase) and operate (Operations Phase) a mixed-use commercial project on approximately 6.919 acres of land located along a portion of the Chuck Huckelberry Loop ("Loop"). The land is on the south side of the Loop/Rillito River, on the north side of Paradise Falls Drive, east of Alvernon Way and south of the Catalina Foothills, known more specifically as 4051 E. Paradise Falls Drive. The predicted outcome will be a Loop centric commercial development that provides users of the Loop, constituents and visitors with access to a development that offers a hospitality component as well as mixed retail and commercial uses.

***Public Benefit:**

To facilitate economic development through capital investment, property tax collection, and development of County-owned property which creates jobs and generates visitation. An additional benefit is to enhance Loop's user experience and to increase Loop usage with additional commercial amenities adjacent to the Loop.

***Metrics Available to Measure Performance:**

Metrics identified within the Development Agreement.

***Retroactive:**

No

TO: CCB 2-29-24 (1)
VERS. 1
pages 138

FEB 29 2 40 53 PM '24

THE APPLICABLE SECTION(S) BELOW MUST BE COMPLETED

Click or tap the boxes to enter text. If not applicable, indicate "N/A". Make sure to complete mandatory (*) fields

Contract / Award Information

Document Type: CTN Department Code: RPS Contract Number (i.e., 15-123): 24*125
Commencement Date: 03/19/2024 Termination Date: 03/18/2029 Prior Contract Number (Synergen/CMS): _____
 Expense Amount \$ _____ * Revenue Amount: \$ 0.00

*Funding Source(s) required: _____

Funding from General Fund? Yes No If Yes \$ _____ % _____

Contract is fully or partially funded with Federal Funds? Yes No

If Yes, is the Contract to a vendor or subrecipient? _____

Were insurance or indemnity clauses modified? Yes No
If Yes, attach Risk's approval.

Vendor is using a Social Security Number? Yes No
If Yes, attach the required form per Administrative Procedure 22-10.

Amendment / Revised Award Information

Document Type: _____ Department Code: _____ Contract Number (i.e., 15-123): _____
Amendment No.: _____ AMS Version No.: _____
Commencement Date: _____ New Termination Date: _____
Prior Contract No. (Synergen/CMS): _____

Expense Revenue Increase Decrease

Is there revenue included? Yes No If Yes \$ _____

Amount This Amendment: \$ _____

*Funding Source(s) required: _____

Funding from General Fund? Yes No If Yes \$ _____ % _____

Grant/Amendment Information (for grants acceptance and awards)

Award Amendment

Document Type: _____ Department Code: _____ Grant Number (i.e., 15-123): _____
Commencement Date: _____ Termination Date: _____ Amendment Number: _____
 Match Amount: \$ _____ Revenue Amount: \$ _____

*All Funding Source(s) required: _____

*Match funding from General Fund? Yes No If Yes \$ _____ % _____

*Match funding from other sources? Yes No If Yes \$ _____ % _____

*Funding Source: _____

*If Federal funds are received, is funding coming directly from the Federal government or passed through other organization(s)?

Contact: Jeffrey Teplitsky, Director
Department: Real Property Services

Telephone: 520-724-6306

Department Director Signature: _____

Date: 2/27/2024

Deputy County Administrator Signature: _____

Date: 2/28/2024

County Administrator Signature: _____

Date: 2/28/2024

4051 E. PARADISE FALLS DR. DEVELOPMENT AGREEMENT

Pima County, Arizona

THIS 4051 E. PARADISE FALLS DR. DEVELOPMENT AGREEMENT (this "Agreement") is made and entered into by and between Pima County, a political subdivision of the State of Arizona (the "County"), and INFINITE CONCEPTS, LP, a Vermont limited partnership ("Developer"). The County and Developer are sometimes collectively referred to as the "Parties," either one of which is sometimes individually referred to as a "Party."

RECITALS

- A. The County owns and operates the Chuck Huckelberry Loop ("Loop"), a park system of approximately 137 miles of paved, shared-use paths that encircles the Tucson metro-area. The Loop has become a major amenity for local residents while attracting tourists from around the country and beyond.
- B. Adjacent to the Loop and east of the Alvernon Bridge, the County owns approximately 6.919 acres of land at 4051 E. Paradise Falls Dr., as depicted and described at Exhibit A (the "Property"). The Property currently contains a parking lot with approximately 33 parking spaces and public restrooms that serve Loop users during operating hours ("Loop Facilities").
- C. The Developer is a Tucson-based hospitality development company that desires to develop a mixed-use commercial project along a portion of the Loop adjacent to the Rillito River between the City of Tucson ("City") and the Catalina Foothills.
- D. The County desires to enhance the Loop's user experience and increase Loop usage by encouraging additional commercial amenities adjacent to the Loop. To further this purpose, the County issued on August 6, 2021, a "Request for Proposals for Sale or Lease and Development of Pima County Owned Property Located at 4051 East Paradise Falls Drive, Tucson AZ" (the "RFP"). The County's purpose for issuing the RFP was to seek proposals from qualified developers to develop the Property to provide a mix of uses to serve users of the adjacent Loop and the nearby neighborhoods, to attract both local and tourist users to the Loop, and to provide economic and community benefits as set forth in the RFP (the "RFP Purpose"). The County desires the Property to be an activity center that provides additional amenities to the Loop.
- E. The Property includes approximately 5.299 acres that will be developed as a mixed-use development (the "Building Area") and approximately 1.62 acres located in the floodplain that will not contain habitable structures ("Non-Buildable Area,") which may include restrooms or other structures as allowed by the Pima County Flood

- Control District ("PCFCD"). Exhibit A describes and depicts the location of the Building Area as "Parcel 1" and Non-Buildable Area as "Parcel 2." The County received an appraisal for the Building Area, dated March 9, 2021, providing a market value of \$265,000.00, and later received an appraisal for the Non-Buildable Area, dated September 22, 2022, providing a market value of \$16,200.00 (collectively referred to as the "Appraisal" and attached at Exhibit B).
- F. On December 17, 2021, Developer submitted its RFP response, attached at Exhibit C. The County awarded the RFP to Developer on February 25, 2022. Based on the RFP, the Developer and the County desire that Developer construct a mixed-use development that will meet the RFP Purpose by including uses that serve and complement the Loop and nearby neighborhoods (the "Project").
 - G. As contemplated by the RFP, the County will provide the Property for lease or sale to the Developer with the goal of allowing the Project to meet the RFP Purpose. The Developer will be solely responsible for the management and cost of pre-development design and entitlements, financing, construction, and operation of the Project. The Parties desire for there to be consistent communication throughout the Project lifecycle.
 - H. Although the County owns the Property, it is in the City of Tucson ("City") limits and once under private ownership will be subject to City zoning regulations. The Property currently is zoned Suburban Ranch (SR), a low-density residential zoning district that does not permit the commercial uses the Project requires. Therefore, Developer will apply for a rezoning to a zoning district that permits the mix of uses contemplated by the RFP, likely a Planned Area Development (the "Zoning Entitlements").
 - I. The County and Developer are entering into this Agreement to define the rights and obligations of each during the three phases of the Project's development: (a) the "Predevelopment Phase" during which the Developer designs the Project and obtains Zoning Entitlements; (b) the "Construction Phase" during which the Developer obtains Project development approvals and builds the Project; and (c) the "Operations Phase" during which the Developer begins Project operations.
 - J. The County is authorized by A.R.S. § 11-1101 to enter into a development agreement with a landowner or other person or entity having an interest in real property located within the County to facilitate development of the property. The Board of Supervisors ("Board") has authority under A.R.S. § 11-254.04 to engage in any activity that it "has found and determined will assist in the creation or retention of jobs or will otherwise improve or enhance economic welfare of the inhabitants of the county," including specifically the "acquisition, improvement, leasing or conveyance of real or personal property."

AGREEMENT

NOW, THEREFORE, in consideration of the foregoing recitals, which are incorporated into this Agreement as though fully restated here, and the mutual covenants set forth in this Agreement, the Parties hereby agree as follows:

Article I: General Development

1. **Certain Definitions.** The following definitions apply to this Agreement and are not otherwise defined within the Agreement:
 - (A) **"Approved Design"** is Project design approved by the County, as described in Article I, Section 7.
 - (B) **"CO"** is the City-issued Certificate of Occupancy that allows the Project to begin operating, whether it is a temporary or final approval.
 - (C) **"Construction Commencement Date"** is the first day the Developer requires full control of the Property to begin significant grading activity on the Property.
 - (D) **"Construction Permits"** include the Project's development package (i.e., site construction permit) and building construction permits, including all applications and drawings necessary to obtain the City required site and building permits for the Project.
 - (E) **"Predevelopment Work"** includes all activities necessary to begin construction of the Project, including but not limited to Project pre-design and design, zoning entitlements, site construction and building plans, and financing.
 - (F) **"Project Liaison"** is the County employee or contractor designated as the Developer's primary point of contact with the County, who will be responsible for any design approvals and other communication with County staff and leadership.
 - (G) **"Significant Design Change"** is any change to the Project's Approved Design that affects at least ten percent (10%) of the total area of the Property or changes the uses contemplated by the RFP Purpose. Examples of materially and substantially changes that are not Significant Design Changes are the use of alternate materials or manufacturers of materials, relocation of design elements within the Project, or adjustments required by any public entity with jurisdiction over the Project's construction.

2. **Exclusive Right to Develop.** Until this Agreement is terminated, the Developer shall have the exclusive right to: (a) serve as the exclusive developer the Project; (b) enter into an agreement for the purchase of the Property and the development of the Project; and (c) enter into any ground leases or other agreements with the County necessary for the Project's development (collectively the "Exclusive Rights"). The County agrees to not engage in any conduct that may lead to the appointment of

another person or entity as the developer of the Project or the Property, or result in an agreement, either written or oral, that will provide another person or entity rights to develop the Project or Property.

3. **Consideration for Exclusive Rights.** The County agrees that the Developer's RFP Response and agreement to develop the Project, including solely bearing the cost of Predevelopment Work, financing, and construction, are adequate consideration for the Exclusive Rights and represent substantial time, effort, and financial commitment by the Developer, and that without the Exclusive Rights the Developer would not be willing to pursue and bear the costs of developing the Project.
4. **Development Team.** Developer shall select and assemble a consultant and contractor team to include, without limitation, an architect (design and production), civil engineer (including traffic and drainage engineering), landscape architect, and general contractor, and any other consultants the Developer deems necessary for the successful design, development, and construction of the Project.
5. **Project Liaison.** The County shall assign Heath S. Vescovi-Chiordi, who serves as the Economic Development Director for the County, as the Project Liaison. In the event the person serving as the Project Liaison is no longer able to serve in this role, the County shall fill that role with a qualified County employee or contractor within thirty (30) days of the vacancy.
6. **Partnership Opportunities.** The Parties acknowledge that the Property is not in an existing commercial corridor, the Project is the first "Loop-centric development" in the region, and the Developer is taking on risk in developing the Project in this location and additional costs with unpredictable returns on such investment in order to fulfill the public benefit component of the RFP Purpose. Therefore, the Parties agree to explore and identify ways that they may partner to ensure the Project is successful in meeting the RFP Purpose. These potential opportunities include:
 - (A) Flexibility in lease terms and structure that recognize the time that may be necessary for the Project to become commercially viable;
 - (B) Utilize, if available, the County's reclaimed water irrigation lines for irrigation of the portions of the Project landscape that will be utilized by the public;
 - (C) The County will process Construction Permits through the County Planning and Development Services Department during the time the Property is County owned. This does not apply to Zoning Entitlements that must be processed by the City;
 - (D) Explore the ability for the County to install directional signage to the Project for both vehicles from the Alvernon Way, and for pedestrians and bicyclists from the Loop. This may include the County engaging with the City to determine the feasibility of providing directional signage to the Project's Loop access;
 - (E) Explore contribution to the cost of landscaping and/or public art, and

associated maintenance, in the areas of the Project that are subject to public access rights; and/or

- (F) County and Developer will meet in good faith within three months of the execution of this Agreement regarding approximately 4.1 acres of land at 3291 N. Walnut Ave. (the "Vacant Lot Parcel"), which is currently owned by a third party. At that meeting, County and Developer will discuss options regarding the potential acquisition of the Vacant Lot Parcel to serve Loop Users and the nearby Property with additional parking space.
- (G) Any other partnering opportunities identified by the Parties.
- (H) The Parties acknowledge that any agreement entered into by the Developer and County, whether noted above or negotiated in the future, must comply with the Gift Clause of the Arizona Constitution.

7. **County Design Approval.** Until the Project is complete and operational, the County retains the right to consent to the general design and land uses proposed for the Project for the sole purpose of ensuring that the Project is designed to meet the Approved Design, subject to the following:

- (A) **Approval Scope.** The County's right of Project design approval applies to overall uses and general site design, and does not extend to any specific design elements, architecture, materials, landscaping, site layout, tenants and tenant mix, outdoor amenity spaces and art, and other specific details of the Project, unless otherwise stated in this Agreement, and the Developer retains the right to make all design, construction and operational decisions related to the Project as long as the overall nature of the Project meets the RFP Purpose.
- (B) **Cooperation.** The Parties agree to work together in good faith to find a reasonable and mutually agreeable Approved Design.
- (C) **Approval Timing.** The Developer shall present to the County updates to the Project design and use mix, and the County shall provide such approval in writing to the Developer, at the following milestones:
 - (i) In the Predevelopment Phase, prior to the submittal to the City of an application for Zoning Entitlements for the Project;
 - (ii) In the Construction Phase, prior to submitting the plans and applications for the Project's Construction Permits; and
 - (iii) At any point during the process of obtaining Zoning Entitlements or Construction Permits, if it becomes necessary to modify the Approved Design in a way that causes a Significant Design Change.
 - (iv) The County shall respond to Developer within ten (10) business days of receipt of the Project design with either written approval, or if approval is not given, written specific reasons as to why approval is withheld.

8. ***Negotiation of Conveyance Agreement.*** The Parties agree to negotiate and enter into a separate Purchase and Sale Agreement (“PSA”) or Ground Lease and Purchase Option (“Ground Lease”), subject to the following:
- (A) **Agreement Choice.** The Developer, in its sole discretion and after the completion of Zoning Entitlements, may choose to either enter into a PSA with the County, or enter into a Ground Lease (with an option to purchase) with the County. If the Zoning Entitlements are not approved, or the Developer, in its sole discretion, believes the Zoning Entitlements are not sufficient to adequately develop the Project, the Developer may terminate this Agreement with no further obligations.
- (B) **County Reversionary Right.** Either the PSA or Ground Lease shall include provisions giving the County a reversionary right to fee simple ownership in the Property if any of the following occur:
- (i) The Project design is so significantly modified from the Approved Design that the Project no longer meets the RFP Purpose;
 - (ii) The Project’s Construction Commencement Date does not occur within the timeframe established by the Parties in the PSA or Ground Lease, except the Parties agree to negotiate a reasonable extension if the original date cannot be met;
 - (iii) The Project’s CO issuance date does not occur within the timeframe established by the Parties in the PSA or Ground Lease, except that the Parties will agree to negotiate a reasonable extension if the original date cannot be met; or
 - (iv) The Property does not meet the baseline property valuation increased defined by an economic analysis of the Project’s projected Property value increase, as defined prior to the Construction Commencement Date.
 - (v) The County’s reversionary right shall terminate upon the issuance of the CO, assuming that construction timeframes and economic development metrics are met.
- (C) **Negotiations Timing.** The Parties shall commence negotiations for the PSA or Ground Lease within twelve (12) months after the Effective Date, but in no case shall the Parties finalize the terms and enter into a PSA or Ground Lease until after the City’s approval of the Zoning Entitlements.
- (D) **PSA Terms.** If the Developer chooses to directly purchase the Property, the Parties shall negotiate a PSA that shall include the following terms:
- (i) **Escrow.** The County and Developer will open escrow with a mutually agreeable title company. The County will convey the Property via a special warranty deed to Developer or its related entity.
 - (ii) **Purchase Price:** The Developer’s cost of acquiring the Property from the

County ("Purchase Price") shall be the value set by the Appraisal, along with a reasonable annual land valuation adjustment based on an index of regional land values, agreed to by the Parties, and that value adjustment shall begin at the execution of the PSA.

(E) Ground Lease Terms. If the Developer chooses to initially lease the Property, the Parties shall negotiate a Ground Lease that shall include the following terms:

- (i) Rent payments for the Property shall commence on the effective date of the Ground Lease and shall initially be set at a reduced rate consistent with state law commensurate with the use of the Property and the fact that the Project will not yet be producing revenue.
- (ii) At the beginning of the Operations Phase, rent will be based on market rates.
- (iii) The Parties shall negotiate a term for the Ground Lease that provides the Developer enough time to achieve a reasonable return on investment, which is typical in the marketplace.
- (iv) Purchase Option. The Ground Lease shall include a purchase option that allows Developer to acquire the Property (the "Purchase Option"). The Purchase Option shall include the following terms:

- 1. County Reversionary Right. If the Purchase Option is exercised prior to the issuance of the CO, the County shall continue to have the reversionary rights defined herein at Sec. I(8)(b). If the Purchase Option is exercised after the issuance of the CO, the RFP Purpose is presumed to have been met and the County shall not have any reversionary rights to the Property.
- 2. Escrow. Upon the exercise of the Purchase Option, the County and Developer will open escrow with a mutually agreeable title company. The County will convey the Property via a special warranty deed to Developer or its related entity.
- 3. Purchase Price: The Purchase Option, as part of the Ground Lease, shall establish the Purchase Price for the Property as the value set by the Appraisal, along with a reasonable annual land valuation adjustment based on an index of regional land values, agreed to by the Parties, and that value adjustment shall begin at the execution of the Ground Lease.

9. Financing. The Developer may obtain a loan to finance the construction of the Project and the development of the Property in an amount satisfactory to the Developer ("Development Loan"), subject to the following:

(A) The Developer, and not the County, shall be responsible for all debt service for

the Development Loan.

- (B) The Parties desire for the Development Loan to be secured by an encumbrance on the Developer's interest in the Ground Lease and Operating Agreement, and not by an encumbrance on the County's interest in the Property.
- (C) The County shall cooperate with Developer in obtaining the Development Loan and shall provide all information reasonably required by lender necessary for the lender to evaluate the collateral for the Development Loan. The County shall provide any consents and estoppels with respect to the Ground Lease, the Operating Agreement, and this Agreement in form and content reasonably required by the Lender in connection with the Development Loan.
- (D) At time of Development Loan closing, the County shall cooperate with Developer to the extent reasonably necessary to facilitate the loan closing.

Article II: Predevelopment Phase

1. ***Project Design.*** Developer has prepared a concept design showing the proposed initial location of the Project improvements, attached at **Exhibit D**, which is a conceptual design layout and subject to change. The Developer has full authority over the Project design and may modify the Project design for any reason whatsoever, subject to: A) the County's right to approve the Project design, as stated in Article I, Section 7; and B) the Developer's and County's commitment to include in the Project the same level of Loop Facilities available to the public as of the Effective Date. The Parties acknowledge that the Loop Facilities may be relocated to other portions of the Project as long as the amenities provided by the Loop Facilities as of the Effective Date are maintained at the same or similar level by the Project.
2. ***Design Review Coordination.*** The Developer shall provide updates of the Project design to the Project Liaison upon request and as required for County Design Approval described in Article I, Section 7.
3. ***Entitlement Responsibility.*** The Developer shall be fully responsible for obtaining Zoning Entitlements from the City sufficient to allow for the Project's development, including all applications, stakeholder outreach, coordination with City staff, and public meetings and hearings necessary to obtain the Zoning Entitlements.
4. ***Entitlement Coordination and Communication.*** The Parties agree to the following regarding Zoning Entitlements:
 - (A) As both Parties desire for Zoning Entitlement approval, the Parties agree to coordinate and communicate during the Zoning Entitlement process.
 - (B) The Developer shall have full and final authority regarding the applications, strategy, and outreach related to the Zoning Entitlements.
 - (C) The Developer shall be fully responsible for all costs related to the Zoning Entitlements, and the County shall incur no costs for the Zoning Entitlements,

other than allowing County staff to assist with the rezoning process as needed.

- (D) Upon request by the Developer, the County will provide the appropriate staff to participate in any formal or informal outreach with stakeholders, including attending neighborhood meetings or informal stakeholder meetings.
- (E) The Parties acknowledge that stakeholder outreach may result in changes to the Project design, and the Parties will work together to accommodate Project design changes that will mitigate stakeholder concerns, which shall be reflected in the County's Design Approval described in Article 1, Section 7.

Article III: Construction Phase

1. **Site and Construction Design.** Developer, at its sole cost and expense, shall cause to be performed all work necessary to obtain the Construction Permits, including design, engineering and architectural drawings, exhibits, and applications necessary to obtain the permits for the Project's construction. All Project exhibits and drawings shall be prepared in accordance with the Approved Design.
2. **County Development Review.** If the County owns the Property at the time the Developer submits its applications for review and approval of the Construction Permits, the County agrees, upon the request of the Developer, to coordinate and perform all Project development reviews necessary to obtain Construction Permits. The Parties shall coordinate with City Planning and Development Services staff regarding the County reviews.
3. **Project Construction.** Developer, at its sole cost and expense, shall cause to be performed all work necessary to complete the Project's and Property's improvements in order to open the Project for business.
4. **Design Changes During Construction.** The Parties acknowledge the potential for the Project design to change due to factors such as, but without limitation, the availability of materials, costs or availability of materials or labor, or design feasibility. Developer shall make the Project Liaison aware of any Significant Design Change to the Project design.
5. **Environmental Representations.** If any environmental inspection reveals the presence of contamination or the need to conduct any environmental clean-up of the Property, County shall remediate all contamination within the Property to bring it into compliance with all applicable Federal, State, or local environmental regulations.

Article IV: Operations Phase

1. **Project Operations.** Upon the issuance of the CO, Developer shall have the sole right to operate the Project as it deems necessary for its successful operation, which shall include without limitation the right to lease tenant spaces, contract for services, repairs, and maintenance, and control access to the Project and Property.
2. **Operating Agreement.** The Parties shall negotiate an agreement to define each

Party's obligations and rights related to the operation of the Project ("Operating Agreement"). The Operating Agreement shall be negotiated and executed by the earlier of the issuance of the Project CO or the conveyance of the Property to the Developer pursuant to the Purchase Option. The Operating Agreement shall include, without limitation, provisions to memorialize the following:

- (A) Define each Party's obligations regarding the maintenance of the area where the Property borders the Loop;
 - (B) Use of reclaimed water facilities, if any, to provide irrigation for areas with public access from the Loop;
 - (C) Maintenance of drainage facilities within and adjacent to the Property;
 - (D) Define any easements that will be required for the Project, including drainage easements or public access easements over the Property for the Loop Facilities and adjacent public amenity areas within the Project; and
 - (E) Other opportunities as mutually agreed upon by the Parties pursuant to Article I, Section 6.
3. *Easements.* Any easements negotiated as part of the Operating Agreement shall be executed and recorded in the Official Records of Pima County in conjunction with the Operating Agreement execution. Any easement that is recorded prior to the conveyance of the Property to Developer shall be drafted to avoid the merger and extinguishment of the easement (e.g., an anti-merger clause).

Article V: General Terms

- 1. *Effective Date and Term.* This Agreement shall become effective upon the latter of its execution by all the Parties or the effective date of the Board of Supervisors resolution approving this Agreement (the "Effective Date").
- 2. *Agreement Term:* The term of this Agreement ("Term") shall begin on the Effective Date and shall automatically terminate and shall thereafter be void for all purposes on the 5th anniversary of the Effective Date, except that the Parties will work together in the event that an extension of the Agreement is reasonably necessary.
- 3. *Governing Law:* This Agreement shall be governed by and interpreted in accordance with the laws of the State of Arizona, and any lawsuit to enforce any provision of this Agreement or to obtain any remedy with respect to this Agreement shall be brought in the Pima County Superior Court, and for this purpose the Parties expressly and irrevocably consent to the jurisdiction of the Pima County Superior Court.
- 4. *Recording of Memorandum of Agreement:* Upon the execution and approval of this Agreement, Developer and County shall execute, acknowledge, and cause to be recorded in the official records of Pima County, Arizona a memorandum of this Agreement, substantially in the form attached to this Agreement as Exhibit E (the "Memorandum"). The Developer shall be responsible for recording the

Memorandum, including all costs and expenses associated therewith.

5. **Amendments to Agreement.** The County and Developer agree to cooperate and in good faith pursue any amendments to this Agreement that are reasonably necessary to accomplish the goals expressed herein. Any amendment to the Agreement shall only be made in writing and signed by both Parties.
6. **Entire Agreement:** This Agreement and any exhibits attached to this Agreement constitute the sole, entire and only agreement between the County and the Developer with regard to the subject matter hereof. This Agreement supersedes all prior discussions and agreements, written or oral, between the County and the Developer with respect to the subject matter hereof.
7. **Counterparts:** This Agreement may be executed in identical counterparts, each of which shall be deemed to be an original, but all of which shall constitute one and the same instrument. In addition, this Agreement may contain more than one counterpart of the signature pages and this Agreement may be executed by the affixing of the signature pages, and all of such counterpart signature pages shall be read as though one, and they shall have the same force and effect as though all the signers had signed a single signature page.
8. **Non-Waiver:** No waiver of any condition or provision of this Agreement shall be deemed, or construed, to have been made unless expressed in writing and signed by the party against whom such waiver has been charged. The failure of any party to insist in any one or more cases upon the performance of any of the provisions, covenants or conditions of this Agreement or to exercise any option or right set forth in this Agreement shall not be deemed, or construed, as a waiver or relinquishment for the future of any such provisions, covenants or conditions. The acceptance of performance of anything required by this Agreement to be performed with knowledge of the breach or failure of a covenant, condition or provision hereof shall not be deemed or construed to be a waiver of such breach or failure. No waiver by any party of one breach by another party shall be construed or deemed to be a waiver with respect to any other subsequent breach. Failure of a party to declare any default immediately upon its occurrence, or delay in taking any action in connection with a default shall not constitute a waiver of such default, nor shall it constitute an estoppel against such party, but such party shall have the right to declare the default at any time and take such action as is lawful or authorized under this Agreement.
9. **Notices.** All notices, requests and other communications under this Agreement shall be given in writing and either (i) personally served on the party to whom it is given, or (ii) mailed by registered or certified mail, postage prepaid, return receipt requested, or (iii) sent by private overnight courier such as Federal Express or Airborne, or (iv) transmitted by facsimile (provided that a confirming copy of the facsimile transmission is mailed on the date of such transmission), addressed as follows:

If to the County:

PIMA COUNTY
c/o Heath S. Vescovi-Chiordi
201 N. Stone Avenue, 2nd Floor
Tucson, AZ 85701
Email: Heath.Vescovi-Chiordi@pima.gov

If to Developer:

INFINITE CONCEPTS, LP
c/o Mark Erman
220 N. 4th Avenue
Tucson, AZ 85705
E-Mail: mark@inf.co

With a Copy to:

Lazarus & Silvyn, PC
5983 East Grant Road, Suite 290
Tucson, AZ 85712
Telephone: 520-207-4464
E-Mail: rjuneman@lslawaz.com

All notices shall be deemed given when delivered or transmitted by facsimile or, if mailed as provided above, on the second day after the day of mailing, and if sent by overnight courier, on the next day after the date of deposit with the courier. Any party may change its address for the receipt of notices at any time by giving written notice thereof to the other parties in accordance with the terms of this section. The inability to deliver notice because of a changed address of which no notice was given, or rejection or other refusal to accept any notice, shall be deemed to be the effective receipt of the notice as of the date of such inability to deliver or rejection or refusal to accept.

10. ***No Third-Party Beneficiary.*** This Agreement is entered into solely for the benefit of the Parties to this Agreement and their assigns. No Party (other than assigns permitted under Article V, Section 19 of this Agreement) shall be deemed a third-party beneficiary of this Agreement.
11. ***Cooperation and Additional Instruments.*** Each Party to this Agreement agrees to promptly sign or join in the signing of all applications, requisitions, certifications and other documents reasonably necessary and proper to give effect and enable the purposes of this Agreement to be performed. Each Party agrees to render such assistance as the other Party may reasonably request in connection with the foregoing.
12. ***Severability.*** If any provision of this Agreement would be held in any jurisdiction to

be invalid, prohibited or unenforceable for any reason, such provision, as to such jurisdiction, shall be ineffective, without invalidating the remaining provisions of this Agreement or affecting the validity or enforceability of such provision in any other jurisdiction. Notwithstanding the foregoing, if such provision could be more narrowly drawn so as not to be invalid, prohibited or unenforceable in such jurisdiction, it shall, as to such jurisdiction, be so narrowly drawn, without invalidating the remaining provisions of this Agreement or affecting the validity or enforceability of such provision in any other jurisdiction.

13. ***Time is of the Essence.*** Time is of the essence of this Agreement, and of each provision thereof of which time is an element, except as otherwise expressly provided in this Agreement.
14. ***No partnership or joint venture.*** Nothing in this Agreement shall be understood or construed to create or imply a partnership or joint venture between the Developer and the County.
15. ***Headings & Captions.*** The headings and titles to the paragraphs of this Agreement are for convenience only and shall have no effect upon the construction or interpretation of any part of this Agreement.
16. ***Language Interpretation.*** This Agreement represents the result negotiations between the County and the Developer, each of which is represented by counsel of its own selection, and neither of which has acted under duress or compulsion. Consequently, the County and the Developer agree that the language in all parts of the Agreement shall in all cases be construed as a whole according to its fair meaning and neither strictly for nor against the County or the Developer.
17. ***Approvals and Consent.*** Wherever this Agreement requires any Party to approve or consent to any document or other matter, such approval or consent shall not be unreasonably withheld, delayed or conditioned, except as otherwise expressly provided in this Agreement.
18. ***Estoppel Certificate.*** The Owner and the Developer (each a "Certifying Party") agree, at any time and from time to time during the Project's development, upon not less than ten (10) business days prior written notice from the other Party (the "Requesting Party"), to execute, acknowledge and deliver to the Requesting Party a statement certifying to substantially the following provisions (recognizing that any of such statement may be modified by the Certifying Party to reflect the then state of facts), with any such statement delivered pursuant hereto, being able to be relied upon by the Requesting Party or its successors or permitted assigns and the Lender:
 - (A) A statement that this Agreement is unmodified and in full force and effect (or if there have been modifications, that this Agreement is in full force and effect as modified and stating the modifications);
 - (B) A statement of whether or not, to the knowledge of the Certifying Party, the

Requesting Party is in default in performing any of its material obligations under this Agreement, and if so, describing each such default of which the Certifying Party may have knowledge in reasonable detail;

- (C) A statement of the address to which notices to the Certifying Party should be sent; and
 - (D) Such other statement or statements as the Requesting Party may reasonably request or that the Lender shall require pursuant to the Development Loan.
19. **Successors and Assigns:** This Agreement shall be binding upon and shall inure to the benefit of the Parties to this Agreement, their successors and permitted assigns. The County shall not have the right to assign this Agreement without the prior written consent of the Developer. Developer shall have the right to assign its obligations under this Agreement to a qualified developer with the prior written consent of County, which shall not be unreasonably withheld. Developer may, without County consent, assign this Agreement pursuant to a collateral assignment to the Lender and Developer may assign this Agreement to a special purpose entity affiliate of the Developer formed in association with the development of the Project.
20. **Brokers:** The County and Developer each represents and warrants that it has not dealt with any broker in this transaction and each agrees to defend, indemnify, save and hold the other Party harmless from and against any and all fees, commissions, other liabilities, damages, costs or expenses (including, without limitation, reasonable attorneys' fees and disbursements) suffered by the other Party as a result of acts of the Party or any of its agents that would constitute a breach of its representation and warranty in this Section. The provisions of this Section shall survive the termination or expiration of this Agreement.
21. **Exhibits and Recitals:** The Recitals set forth above, and the Exhibits attached hereto, form an integral part of this Agreement and are hereby incorporated by this reference as if fully set forth in this Agreement.
22. **Americans with Disabilities Act:** Developer will comply with all applicable provisions of the Americans with Disabilities Act (Public Law 101-336, 42 U.S.C. 12101-12213) and all applicable federal regulations under the Act, including 28 CFR Parts 35 and 36.
23. **Non-Discrimination:** Developer will comply with all provisions and requirements of Arizona Executive Order 2009-09, which is hereby incorporated into this Agreement, including flow-down of all provisions and requirements to any subcontractors. During performance of this Agreement, Developer will not discriminate against any employee, client or any other individual in any way because of that person's age, race, creed, color, religion, sex, disability or national origin.
24. **Cancellation for Conflicts of Interest:** Notwithstanding anything to the contrary set forth in this Agreement, this Agreement is subject to cancellation for conflict of

interest pursuant to A.R.S. § 38-511, the pertinent provisions of which are incorporated into this Agreement by reference.

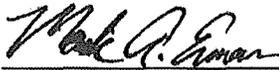
25. ***Non-Appropriation:*** Notwithstanding any other provision in this Agreement, County may terminate this Agreement if for any reason there are not sufficient appropriated and available monies for the purpose of maintaining County or other public entity obligations under this Agreement. In the event of such termination, County will have no further obligation to Developer, other than to pay for services rendered prior to termination.
26. ***Compliance with Immigration Laws:*** Developer hereby warrants that it will at all times during the term of this Agreement comply with all federal immigration laws applicable to its employment of its employees, and with the requirements of A.R.S. § 23-214(A) (together the "State and Federal Immigration Laws"). Developer will further ensure that each subcontractor who performs any work for Developer under this Agreement likewise complies with the State and Federal Immigration Laws. County has the right at any time to inspect the books and records of Developer and any subcontractor to verify such party's compliance with the State and Federal Immigration Laws. Any breach of Developer's warranty or any subcontractor's warranty of compliance with the State and Federal Immigration Laws, or of any other provision of this section, is a material breach of this Agreement subjecting Developer to penalties up to and including suspension or termination of this Agreement. If the breach is by a subcontractor, and the subcontract is suspended or terminated as a result, Developer will be required to take such steps as may be necessary to either self-perform the services that would have been provided under the subcontract or retain a replacement subcontractor, as soon as possible so as not to delay project completion. Any additional costs attributable directly or indirectly to such remedial action are the responsibility of Developer. Developer will advise each such subcontractor of County's rights, and the subcontractor's obligations, under this Section 18.29 by including in each subcontract substantially the following form: "Subcontractor hereby warrants that it will at all times during the term of this contract comply with all federal immigration laws applicable to Subcontractor's employees, and with the requirements of A.R.S. § 23-214(a). Subcontractor further agrees that the County may inspect the Subcontractor's books and records to ensure that Subcontractor is in compliance with the requirements. Any breach of this paragraph by Subcontractor is a material breach of this contract subjecting Subcontractor to penalties up to and including suspension or termination of this contract."

IN WITNESS WHEREOF, the Parties have executed this Agreement as of the last date set forth below their respective signatures.

THE "DEVELOPER":

Infinite Concepts, LP
a Vermont limited partnership

By: M&E Paradise, LLC
a Vermont limited liability company
Its: General Partner



By: Mark Erman
Its: Managing Member

STATE OF ARIZONA)
) ss.
COUNTY OF PIMA)

I HEREBY CERTIFY that on this 13 day of FEBRUARY, 2024, before me, a Notary Public for the state aforesaid, personally appeared Mark Erman, known to me or satisfactorily proven to be the person whose name is subscribed to the foregoing Memorandum of Agreement, who acknowledged that he is the Managing Member of M&E Paradise, LLC, a Vermont limited liability company, which is the General Partner for Infinite Concepts, LP, a Vermont limited partnership, and that he has been duly authorized to execute, and has executed, such instrument on its behalf for the purposes therein set forth.



Notary Public

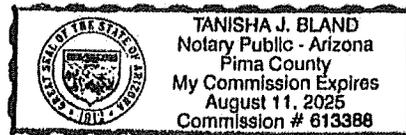


Exhibit A
Property Legal Description
and Depiction

Parcel 1

All that portion of that parcel described as Parcel 2 in Docket 8364 at Page 1762 recorded in the office of the Pima County Recorder and being a portion of the Northwest Quarter of the Southwest Quarter of Section 27, Township 13 South, Range 14 East, Gila & Salt River Meridian, Pima County, Arizona, more particularly described as follows:

COMMENCING at a found BCSM "RLS22245" on the centerline of Paradise Falls Drive as described in Docket 12215 at Page 82 at the intersection of the east line of said Northwest Quarter of the Southwest Quarter of Section 27 and to which a found BCSM "RLS17479" at the PC of said Paradise Falls Drive bears South 89°32'05" West a distance of 552.98 feet;

THENCE along said east line of the Northwest Quarter of the Southwest Quarter North 01°16'32" West a distance of 39.50 feet to the southeast corner of said Parcel 2 and the **POINT OF BEGINNING**;

THENCE along the south line of said Parcel 2 and the north right of way line South 89°32'05" West a distance of 519.05 feet to the southwest corner of said Parcel 2

THENCE along the west line of said Parcel 2 North 01°17'04" West a distance of 491.24 feet;

THENCE North 89°32'05" East a distance of 170.00 feet;

THENCE South 45°28'05" East a distance of 75.00 feet;

THENCE North 89°32'05" East a distance of 110.00 feet;

THENCE South 45°28'05" East a distance of 60.00 feet;

THENCE North 89°32'05" East a distance of 145.01 feet to a point on the east line of said Parcel 2;

THENCE along said east line South 01°16'32" East a distance of 395.79 feet to the **POINT OF BEGINNING**.

Said portion contains 5.299 acres., more or less.

Together with and subject to an Ingress/Egress easement over the east 50.00 feet, parallel and adjacent to the east line of said portion of Parcel 2;

Also, together with and subject to a Drainage Easement over the west 40.00 feet, parallel and adjacent to the west line of said portion of Parcel 2.



Parcel 2

All that portion of that parcel described as Parcel 1 and Parcel 2 in Docket 8364 at Page 1762 recorded in the office of the Pima County Recorder and being a portion of Lots 4 and 5 of Section 27, Township 13 South, Range 14 East, Gila & Salt River Meridian, Pima County, Arizona, more particularly described as follows:

COMMENCING at a found BC&SM "RLS 22245" on the centerline of Paradise Falls Drive as described in Docket 12215 at Page 82 at the intersection of the east line of Lots 4 and 5 of Section 27 and to which a found BC&SM "RLS 17479" at the PC of said Paradise Falls Drive bears South 89°32'05" West, a distance of 552.98 feet;

THENCE along said east line of said Lots 4 and 5, North 01°16'32" West, a distance of 39.50 feet to the southeast corner of said Parcel 2;

THENCE continuing along said east line, North 01°16'32" West, a distance of 395.79 feet to the **POINT OF BEGINNING**;

THENCE South 89°31'55" West, a distance of 145.01 feet;

THENCE North 45°28'05" West, a distance of 60.00 feet;

THENCE South 89°31'55" West, a distance of 110.00 feet;

THENCE North 45°28'05" West, a distance of 75.00 feet;

THENCE South 89°31'55" West, a distance of 170.00 feet;

THENCE North 01°17'04" West, a distance of 11.49 feet;

THENCE North 67°34'18" East, a distance of 173.18 feet;

THENCE North 62°48'51" East, a distance of 173.42 feet to the beginning of a tangent curve, concave to the southwest, and having a radius of 70.00 feet;

THENCE along the arc of said curve to the right, through a central angle of 95°55'27", a distance of 117.19 feet;

THENCE South 21°15'42" East, a distance of 26.64 feet to the beginning of a tangent curve, concave to the northeast, and having a radius of 60.00 feet;

THENCE along the arc of said curve to the left, through a central angle of 70°00'50", a distance of 73.32 feet;

THENCE North 88°43'28" East, a distance of 39.71 feet;

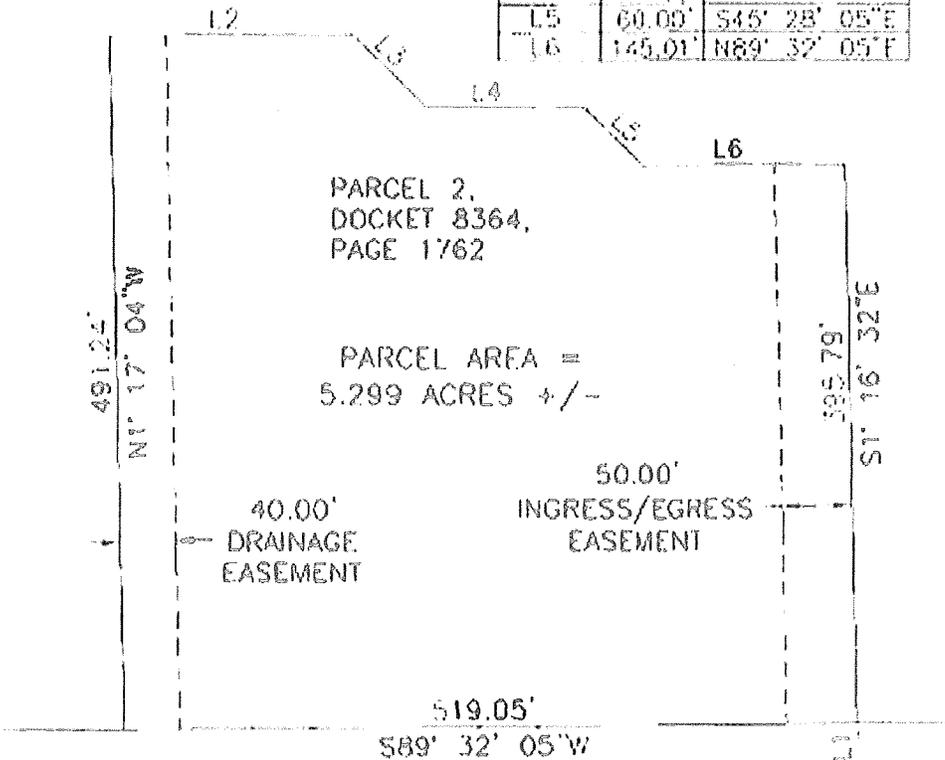
THENCE South 01°16'32" East, a distance of 148.98 feet;



Parcel 1 Depiction

DEPICTION OF EXHIBIT "A"

Line Table		
Line #	Length	Direction
L1	39.50'	N1° 16' 32"W
L2	170.00'	N89° 32' 05"E
L3	75.00'	S45° 28' 05"E
L4	110.00'	N89° 32' 05"E
L5	60.00'	S45° 28' 05"E
L6	145.01'	N89° 32' 05"E



PARADISE FALLS DR.

N



PIMA COUNTY SURVEY

A PORTION OF A PARCEL PER DOCKET 8364 PAGE 1762
LOCATED IN SECTION 27, TOWNSHIP 13 SOUTH, RANGE 14 EAST,
GILA AND SALT RIVER MERIDIAN, PIMA COUNTY, ARIZONA

Scale: 1" = 100' Date: 30 November 2000 Drawn By: AP Sheet 3 of 3

Parcel 2 Depiction

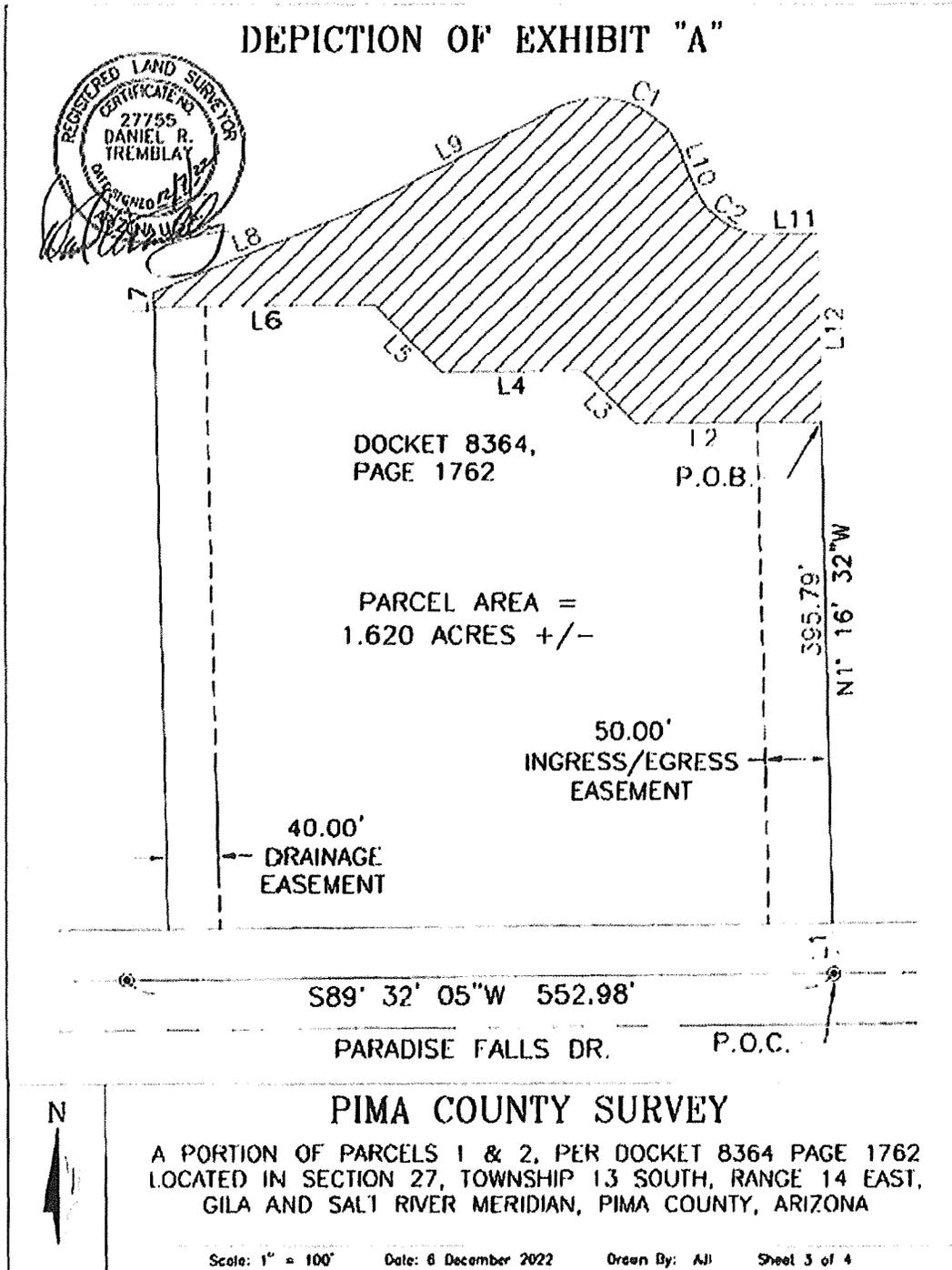


Exhibit B
Property Appraisals

-document on following page-

PAUL HENDRICKS REAL ESTATE APPRAISAL & COUNSELING

Appraisal Service, Litigation Support, Counseling

Voice & Fax (520) 325-6512

Email PaulHendricksMAI@gmail.com

COVER PAGE

APPRAISAL REPORT

**Opinion of Value of
A site known as 4051 E Paradise Falls Dr., south side of the Loop.
Tucson, AZ
Pima County, 85712**

As Of March 9, 2021

**Owner: Pima County RFCD
Tax Parcel: Portion of 110-03-070B
Sec 27, T13S, R14E**

Prepared For Use By

**Pima County
201 N. Stone Avenue, Floor 6,
Tucson, Arizona 85701-1215
Attention: Mr. Jeffrey Teplitsky, Manager
Pima County Real Property Services**

Appraisal Prepared By

**PAUL HENDRICKS REAL ESTATE APPRAISAL & COUNSELING
Paul D. Hendricks, MAI
Arizona Certified General Real Estate Appraiser 30197**

Assignment Reference 2021184

PAUL HENDRICKS REAL ESTATE APPRAISAL & COUNSELING

Appraisal Service, Litigation Support, Counseling

Voice & Fax (520) 325-6512

Email paulhendricksmai@gmail.com

Letter of Transmittal

March 11, 2021

Mr. Jeffrey Teplitsky, Manager
Pima County Real Property Services
201 N. Stone Avenue, 6th Floor
Tucson, AZ 85701-1215

Re: Opinion of value, 4051 E Paradise Falls Site.

In response to your request I have completed an appraisal analysis of the above referenced property; this letter of transmittal is part of the appraisal report. This appraisal report conforms to Uniform Standards of Professional Appraisal Practice (USPAP) and Pima County appraisal guidelines.

Problem Identification: The purpose of the appraisal is to opine market value and site lease rate of the above identified property for potential disposition. Effective date of the appraisal is March 9, 2021, the date of site visit.

Relevant subject characteristics: the property is located on the north side of Paradise Falls Drive, east of Alvernon Way, on the south bank of the Rillito River Park Loop. The site is indicated by legal description and exhibit to be 5.299 +/- acres. It is largely undeveloped, currently zoned SR and indicated to be entirely FEMA-AE (special flood hazard areas, 1% chance of annual flood, elevations determined); however, an approximately 2.9 acre portion of the site has been filled and a letter of map revision (LOMR) has been filed which is anticipated to take this part of the site out of the flood zone.

My opinion of site market value is: \$265,000

My opinion of a site lease rate is 8% to 10%.

Assignment Conditions. It is reported, this analysis is under the assumption, that Pima County will restrict development through the RFP process, followed by development agreement, precluding residential development (sfr/apartment complex), office development (single or multi-tenant), preferring retail development that is a fit with the public amenity (The Loop), as well as neighbors and the public accessing the site other than by The Loop. It is an extraordinary assumption that the LOMR will result in the approximate 2.9 acre portion of the site being taken out of FEMA flood zone AE and that added soil has been property compacted and is suitable for development. The site is considered to have reasonably good potential for rezoning to a zone permitting mixed use/commercial development, an extraordinary assumption. The use of these extraordinary assumptions may have affected assignment results. Please also see my limiting conditions and assumptions.

At the writing of this report there is continued anxiety related to COVID-19 and its effect on the various real estate markets; please see discussion following.

Please call if you have any questions regarding the following appraisal report. Thank you for the opportunity to be of service.

Sincerely,



Paul D. Hendricks, MAI

Arizona Certified General Real Estate Appraiser 30197

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PREFACE & SUMMARY

APPRAISAL REFERENCE: 2021184 PC Paradise Falls Dr.

PROBLEM IDENTIFICATION: The following 7 parameters are considered, client, intended users, intended use, type of opinion, effective date, relevant subject characteristics and assignment conditions:

CLIENT: Pima County, Real Estate Division
Attn: Mr. Jeffrey Teplitsky, Manager, Pima County Real Property Services.

APPRAISER: Paul D. Hendricks, MAI
Arizona Certified General Real Estate Appraiser 30197

PURPOSE, INTENDED USE: The purpose of the appraisal is to opine market value and site lease rate; the intended use is for potential disposition.

INTENDED USERS: Pima County, Pima County RPS and /or designated users are the only intended users; however, it is understood that following review and acceptance of this report by client, this report will become public information

SUBJECT CHARACTERISTICS: Located north side of Paradise Falls Drive, east of Alvernon Way, on the south bank of the Rillito River Park Loop. Indicated by legal description and exhibit to be 5.299 +/-acres. It is a largely undeveloped, currently zoned SR and indicated to be entirely FEMA-AE (special flood hazard areas, 1% chance of annual flood, elevations determined); however, an approximately 2.9 acre portion of the site has been filled and a letter of map revision (LOMR) has been filed which is anticipated to take this portion of the site out of the flood zone.

TAX CODE: Ptn of 120-03-070B

INTEREST CONSIDERED: Fee Simple

HIGHEST AND BEST USE; As Vacant, speculative/investment during Covid-19 market conditions; rezoning for potential mixed use development upon stabilized market conditions.

OPINION OF VALUE: Market Value \$265,000

Opinion of market lease rate: 8% to 10%

Assignment Conditions: There are extraordinary assumptions noted in the letter of transmittal; the use of these extraordinary assumptions may have affected assignment results. Please also see my limiting conditions and assumptions.

EFFECTIVE DATE OF VALUATION: **March 9, 2021;** date of site visit.

DATE OF APPRAISAL REPORT: March 11, 2021

TYPE OF APPRAISAL REPORT: Report.

PURPOSE OF THE APPRAISAL

The purpose of the appraisal is to opine market value of the site and a market lease rate.

INTENDED USE OF THE APPRAISAL

The opinion of value will be used by the client, Pima County, for potential disposition.

INTENDED USER

The Client, Pima County Real Property Services, is the only intended user; however, it is understood that following review and acceptance the appraisal will become public record.

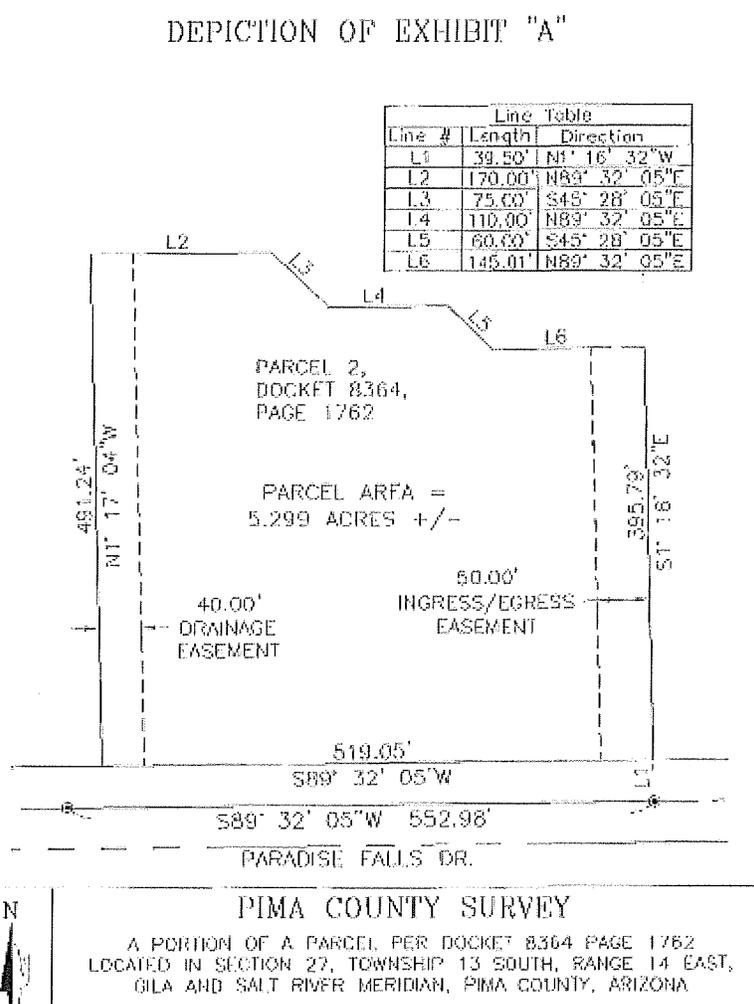
INTEREST APPRAISED

The interests appraised are the fee simple. Fee Simple is defined as "absolute ownership unencumbered by any other interest or estate, subject only to the limitations imposed by the governmental powers of taxation, eminent domain, police power, and escheat".

PROPERTY IDENTIFICATION

The property is known as 4051 E Paradise Falls Drive; it is on the north side of the street, east of Alvernon Way. A portion of 110-03-070B; it is indicated by the flowing exhibit and legal description:

DEPICTION OF EXHIBIT "A"



MARKET VALUE DEFINED *

Market Value means, the most probable price which a property should bring in a competitive and open market under all conditions requisite to a fair sale, the buyer and seller, each acting prudently and knowledgeably, and assuming the price is not affected by undue stimulus. Implicit in this definition is the consummation of a sale as of a specified date and the passing of title from seller to buyer under conditions whereby:

- (1) Buyer and seller are typically motivated;
- (2) Both parties are well informed or well advised and acting in what they consider their own best interests;
- (3) A reasonable time is allowed for exposure in the open market
- (4) Payment is made in terms of cash in U.S. Dollars or in terms of financial arrangements comparable thereto; and
- (5) The price represents the normal consideration for the property sold unaffected by special or creative financing or sale concessions granted by anyone associated with the sale.

Source: Rules and Regulations, Federal Register, Vol. 55, No. 165, Page 34696, as of Friday, August 24, 1990; CFR Federal Regulation 12 CFR, Part 1608, Uniform Appraisal Instructions to the Appraisers by the RTC, effective September 21, 1990, Title XI FIRREA (1989):

Market rent, is defined by Dictionary of Real Estate Appraisal, 6th Edition, as: The most probable rent that a property should bring in a competitive and open market reflecting the conditions and restrictions of a specified lease agreement, including the rental adjustment and revaluation, permitted uses, use restrictions, expense obligations, term, concessions, renewal and purchase options, and tenant improvements (TIs).

Market lease rate is considered to be the rate which would result in an annual rental based on market value.

EXPOSURE PERIOD

Exposure time, always presumed to precede the effective date of the appraisal, is defined as follows: "The estimated length of time the property interest being appraised would have been offered on the market prior to the hypothetical consummation of a sale at market value on the effective date of the appraisal; a retrospective estimate based upon an analysis of past events assuming a competitive and open market".

Exposure time estimated from review of comparable sales and from discussions with active market participants is estimated for the sale of the fee simple interest, to be approximately 12 to 24 months.

EFFECTIVE DATE OF APPRAISAL, REPORT DATE

The effective date of the appraisal is March 9, 2021, the date of site visit. The transmittal date of the report is March 11, 2021.

OWNER CONTACT FOR INSPECTION

I contacted ownership representative, Jeff Teplitsky of Pima County by email, he declined (for Pima County) accompanying me on site visit, I visited the site March 9, 2021, unescorted.

PROPERTY OWNERSHIP SALES HISTORY

Ownership of the property is indicated to be Pima County. Assessor's record indicates no sales within the past 5 years, ownership representatives report no marketing of the property for sale over the past year.

APPRAISAL DEVELOPMENT AND REPORTING PROCESS (SCOPE)

- The appraiser performed an appraisal process in conformance with the Uniform Standards of Professional Appraisal Practice and Pima County requirements.
- Determined the nature of the appraisal assignment by identifying the client, intended user, intended use, type of opinion, effective date of the opinion, property interest appraised, and subject property assignment conditions, the extraordinary or hypothetical assumptions, if any.
- Afforded the property owner opportunity to accompany the appraiser on inspection
- Performed an inspection of the property including the market area, the subject site, improvements (if any) and its relevant characteristics
- Reviewed site plat, zoning and flood zone maps indicating physical suitability of the parcel. Reviewed zoning ordinance and market area plans applicable to the subject property.
- Discussed potential for removal of the site from flood zone AE with Eric Shepp of Pima County Flood and reviewed LOMR.
- Discussed potential for rezoning with John Beall, City of Tucson Planning and Zoning,
- Discussed River Park and Loop history and use with Robert Padilla, Pima County Parks,
- Discussed extraordinary assumptions related to flood zone and zoning with client representative,
- Discussed use restriction with market participants,
- Included items required by USPAP in the Addendum of this report.
- Performed a Highest and Best Use Analysis to identify the use that would result in highest market value.
- Researched comparable sales and site leases/rates from available data sources including Costar, MLS, Realquest and appraiser's files.
- Inspected, by drive by, all comparable sales used.
- Attempted confirmation of each comparable with a party familiar with the property/transaction (when confirmation was not available, public records/information was relied upon).
- Applied appraisal techniques and methodology according to the appraisal body of knowledge and the expectations and actions of my appraisal peers to arrive at an indication of market value and market lease rate for the subject property
- Disregarded (if applicable) any increase or decrease in value due to the announcement of the project *(before the acquisition)*
- Opined the value of site, site lease rate, and
- Prepared an appraisal report describing my appraisal process, in conformance with the Uniform Standards of Professional Appraisal Practice and Pima County requirements.
- *Any other components of scope including the 7 parameters, client, intended users, intended use, type of opinion, effective date, relevant subject characteristics and assignment conditions are considered to be included in/as scope.*

MARKET AREA (Neighborhood) ANALYSIS

A property is an integral part of its surroundings. The character and features of the surrounding area directly affect the use of a property which is a primary factor in the property's value. In order to estimate the value of a property, an analysis of the surrounding area, referred to as Market area or Neighborhood must be made.

The subject property is located in an area transitioning from the central urban core to the Catalina Foothills. The area which exerts the most influence over the subject property is considered to be the area from Craycroft Road to Campbell Avenue, from Grant Road north to the Rillito River (highlighted in following traffic volumes map and in appendix).

These boundaries are considered appropriate due to physical divisions, predominate land uses, and social characteristics. The area defined above is referred to herein as the subject neighborhood, market area. The subject property generally falls in the north-central portion of this region. The market area is considered to be a much larger area, essentially the Tucson Metro Area.

As mentioned, the subject is in a transitional area between the Tucson Central market area to the south and the Catalina Foothills to the north. The central market area has a typical mix of lower density urban residential and higher density residential uses such as apartments and condominiums. There are also pockets of industrial uses and commercial districts along major arterials. The Catalina Foothills to the north are of lower-suburban density, largely single family residence uses of above average home values and area resident income levels.

A number of notable properties/uses in the neighborhood include Tucson Medical Center, Historic Fort Lowell park, George Mehl Foothills District Park, Rillito River Park, Brandi Fenton memorial Park and Jewish Community Center (JCC).

The most significant medical office use in the neighborhood is the 116-acre Tucson Medical Center (TMC). A new high-rise was recently constructed on the TMC campus. TMC revised original plans to retain some of the existing historical structures to meet with approval of surrounding residents. A larger area of medical uses is located northwest, southwest and southeast of the intersection of Grant and Craycroft Roads in the vicinity of TMC and further north at Swan and Camp Lowell. This includes many second generation medical offices.

Fort Lowell Park, at Craycroft and Fort Lowell Road is 65.1 acres. Originally a U.S. Army built Fort Lowell in 1873 to protect the fledging city of Tucson against the Apaches. Today, a museum in the former commanding officer's quarters displays artifacts from military life in territorial days and tells the story of the site's long history. The park features soccer fields, a swimming pool, ball fields, tennis courts, playground structures, and a duck pond.

George Mehl Foothills Park is located on the north side of the Rillito River west of Alvernon Way. Amenities include lighted baseball, softball and soccer fields, batting cages, a dog park, 8 picnic tables and grills, playground with shade structure, ramadas, restrooms, T-ball fields and access to The Loop.

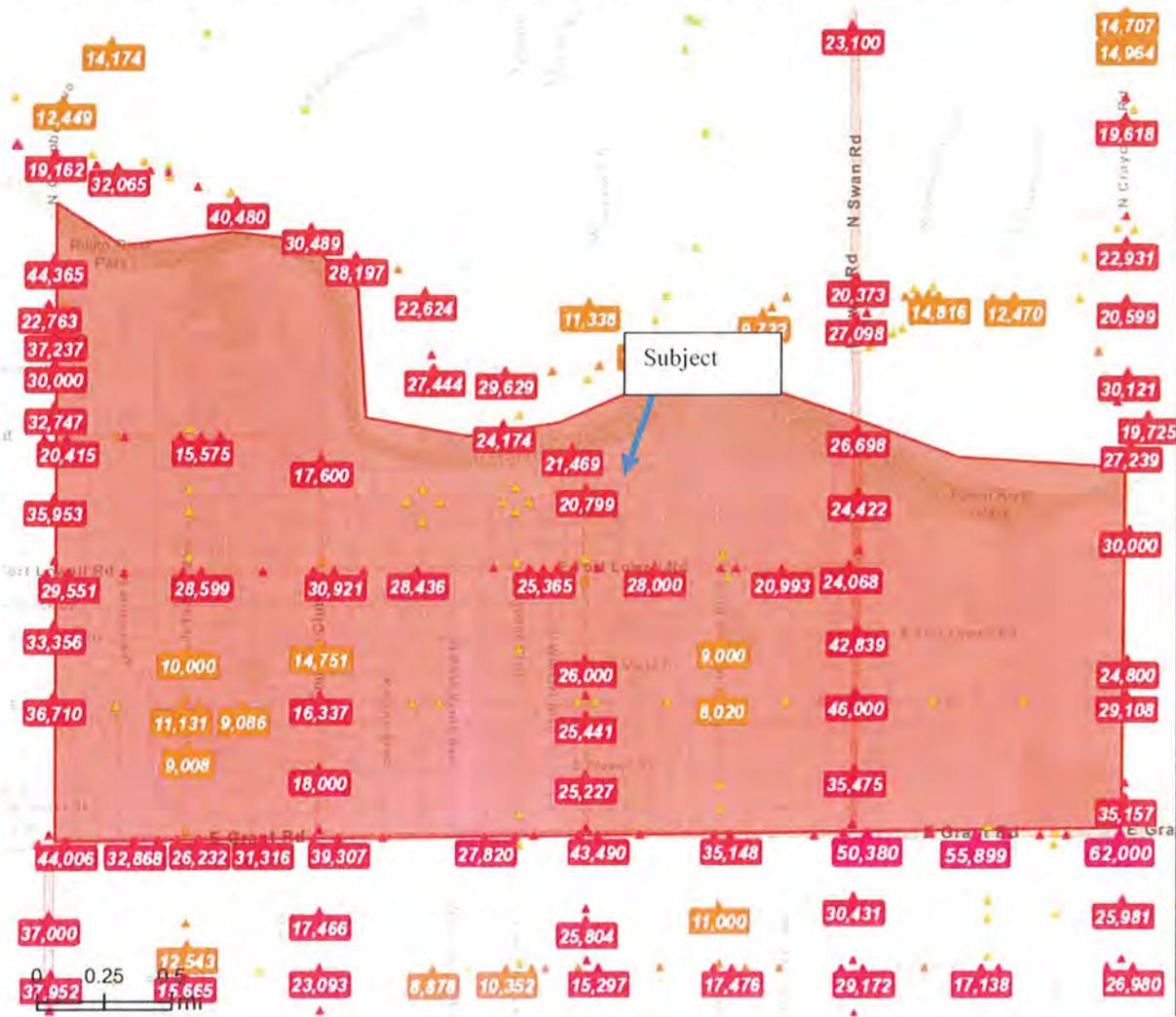
Brandi Fenton Memorial Park is a 56-acre park on the north side of the Rillito River at the southwest corner of River Road/Alvernon Way and Dodge Blvd. The park includes three soccer fields, two covered basketball courts, five ramadas, an equestrian arena, horse shoe pits, two playgrounds, a splash park, an off-leash dog park, walking paths, memorial garden, a soccer with fitness center, lockers, conference room, computer room, kitchen, and offices. It also is located on The Loop.

Located at the northeast corner of Alvernon Way and Dodge, the Tucson Jewish Community Center is a 110,000-square-foot center built in 1989 and renovated in 2015 offering events ranging from Arts & Culture to Sports & Wellness to Children & Family, weddings and other events. There are privately funded, play-based preschool and an after-school care for elementary-aged children and transportation provided from over 20 schools daily during the school year.

The Rillito River Park is a part of the Chuck Huckelberry Loop; a system of paved, shared-use paths and short segments of buffered bike lanes connecting the Cañada del Oro, Rillito, Santa Cruz, and Pantano River Parks with the Julian Wash and Harrison Road Greenway. More than 136 miles of paved pathways and bike lanes have already been completed with additional trails to come. The Loop extends through unincorporated Pima County, Marana, Oro Valley, Tucson, and South Tucson. The connections are the result of Pima County's cooperative partnerships with these jurisdictions. The Loop connects parks, trailheads, bus and bike routes, workplaces, restaurants, schools, hotels and motels, shopping areas, and entertainment venues. Visitors and Pima County residents can enjoy the Loop on foot, bikes, skates, and horses. The Loop became "a real loop" in January 2018 when the County completed a connection on the south bank of the Rillito River Park between Glenn Street and Tanque Verde Road that connected the Rillito to the Pantano River Park. Connecting the Santa Cruz River Park with the Rillito, Pantano, Harrison Greenway and Julian Wash makes a complete circuit of 53.9 miles.

Access through the market area is considered to be average to fair, there are no express routes or highways; there are typically traffic signal stops at mile and half mile section lines.

The following exhibit indicates traffic volumes within the subject market area for each major thoroughfare, in both directions, for a typical twenty-four hour period (source 2020 Kalibrate Technologies).



Demographic characteristics of the subject neighborhood and surrounding 1 mile and 2 mile radius are compared to county averages as follows, as indicated, the nearer surrounding areas are well below average in anticipated population growth (considered to be due to less dense average zoning); median household, income is below average but median per capita income above average in the surrounding 1 and 2 mile radius; median home values in the neighborhood is very similar to the surrounding metro area, the surrounding 1 and 2 mil radius areas are above average.

Variable	Pima County, AZ	Neighborhood	Paradise Falls Dr, (2 miles)	Paradise Falls Dr, (1 mile)
2020 Total Population	1,066,136	34,453	40,830	9,000
2020-2025 Population: Annual Growth Rate	0.86%	0.37%	0.38%	0.26%
2020 Total Households	423,733	16,914	19,538	4,495
2020 Per Capita Income	\$30,827	\$29,052	\$32,333	\$31,780
2020 Median Household Income	\$54,382	\$41,402	\$43,914	\$38,691
2020 Population Age 25+: Graduate/Professional Degree	103,348	4,468	5,870	1,445
2020 Owner Occupied Housing Units	261,248	5,528	7,400	1,669
Percent Owner Occupied	55.0%	29.1%	33.6%	32.7%
2020 Vacant Housing Units	51,286	2,068	2,508	615
Percent Vacant	10.8%	10.9%	11.4%	12.0%
2020 Total Housing Units	475,019	18,982	22,046	5,110
2020 Median Home Value	\$226,625	\$226,700	\$247,317	\$241,564
2020 Average Home Value	\$273,471	\$252,048	\$321,618	\$316,537
2018 Housing: Mobile Homes	47,173	745	822	303
Percent Mobile Home	9.9%	3.9%	3.7%	5.9%
2018 Median Contract Rent (Households Paying Cash Rent)	\$737	\$684	\$698	\$675
2020 Population Density (Pop per Square Mile)	116.0	4,959.0	3,250.3	2,867.1

Most of the neighborhood (within City of Tucson) is served police and fire protection by the City of Tucson with all utilities also provided including electricity by Tucson Electric Power, water by the City of Tucson, sewer by Pima County Wastewater, gas by Southwest Gas and telephone by CenturyLink. The neighborhood lies within the boundaries of Tucson Unified School District Number one, the largest school district in the State of Arizona with regard to student enrollment. Public Transportation is available major arterials including Swan, Alvernon Way, Fort Lowell, Glenn, Grant and Campbell Avenue.

Conclusion: The neighborhood is a transitional area between higher density urban, central City of Tucson and northern Catalina Foothills of lower density with higher home values and resident income levels. Vehicle transportation is considered to be average to below due to lack of expressways. There are excellent linkages via The Loop to the multi-use paths and a number of larger significant parks; The Loop, with more than 136 miles of paved pathways and bike lanes connect unincorporated Pima County, Marana, Oro Valley, Tucson, and South Tucson.

SITE DESCRIPTION

Location:	The subject is located north side of Paradise Falls Dr., on the south side of the Loop multipurpose trail on the Rillito River, east of Alvernon Way.
Present Use:	Vacant-surplus land.
Site Size:	5.299 acres per exhibit
Access:	Paradise Falls Drive, average.
Visibility:	Interior neighborhood collector, poor for vehicular access; good frontage on The Loop; however, visibility is restricted by distance to the graded pad-site; at the northwest corner where visibility is possible and unobstructed by the parking area, the paved path is roughly 144' to 180' away, to the east the site is more distant from the path and obstructed by parking area and Loop improvements. There is no traffic count on Paradise Falls, it is a relatively short neighborhood street beginning at Alvernon Way and winding through in the adjacent residential subdivision east of the subject site and terminating at Columbus Blvd.
Views:	Above average due to being adjacent to The Loop and the Rillito River, a significant open space.
Shape:	Irregular due to cut out on the northern boundary for Loop and parking lot; there is moderately greater frontage on Paradise Falls and Loop improvements than depth.
Topography:	The site is indicated (Pima mapguide) to be at 2,390' and relatively level (lower elevation along western boundary, area of the drainage easement)
Flood Hazard:	<p>FEMA FIRM 04019C1693L and 1694L, effective 6/16/11, indicates the site is Flood Zone AE (100 year flood, base elevations determined); Base Flood Elevations in the vicinity of the subject at 2,391' to 2,390'. Topography, as indicated above, Pima Mapguide indicates topography to be essentially near the same elevation; any habitable structures would need to be at least 1' above BFE. However, Pima County has done fill on the site; it is no reportedly elevated out of the flood zone.</p> <p>As mentioned, a letter of map revision (LOMR) has been submitted to FEMA by Pima County; it is an assumption of this analysis that this LOMR will remove the raised portion of the site, reported to be approximately 2.9 acres, out of AE (the remaining site area to the north, east and west for Loop improvements, access easement and drainage easement respectively, have not been raised).</p> <p>It is reported that the 40 foot drainage easement is for off-site flow from the south to the Rillito River. Landscaping and parking are potentially acceptable uses for that area depending on zoning setbacks and off-site flows. There will be no need for detention on the site due to the proximity to the Rillito. Retention is likely, but could be accommodated in the drainage easement and the Loop connection area to the north. It would not compete for use on the elevated fill pad.</p>
Easements:	The property exhibit indicates a 40' wide drainage easement along the site western boundary (to allow drainage from the south to cross through to the Rillito), and a 50' ingress/egress easement along the eastern boundary (access to The Loop and parking area). A title report is to be provided by

client later; it is assumed that there are no other easements or other conditions significantly restricting the property.

Hazardous Materials/
Contamination:

No environmental assessment was available. No indications of hazardous materials were noted on site visit; this appraisal assumes that the subject is free of hazardous material contamination.

Utilities:

Utilities are generally available in the area from the following sources; however, an engineering study would be necessary to determine if utilities are available/sufficient for proposed uses:

Water: Tucson Water
Sewer: Pima County Wastewater
Electricity: Tucson Electric
Natural Gas: Southwest Gas
Telephone: CenturyLink
Public Safety: Tucson Police Department
Fire: City of Tucson

Surrounding Land Uses:

The Loop improvements including parking area with ramada and restroom facilities adjacent to The Loop (southern bank of the Rillito) the Rillito River and northern bank Loop paved access trail to the north, a commercial (C-1 zoned) office complex to the west adjacent to Alvernon Way and R-2 zoned residential subdivision (Riverhaven, 373 lots) to the east, an unimproved SR zoned site directly south with Davidson Elementary School to the southwest (SR zoned).

Zoning:

SR (City-Suburban Ranch); This zone provides for very low density, large lot, single-family, residential development and suburban ranch uses. Uses that would adversely affect the open space, agricultural, or natural characteristics of this zone shall not be permitted.

Development Standards for SR include: 144,000sf minimum site area (maximum density), no maximum lot coverage residential, 15% for non-residential, 30' height, perimeter yard setbacks depend on adjacent property uses.

As indicated above, the site is transitional between low density (SR) to the south, higher residential density (R-2) to the east and C-1 (commercial offices) to the west. A very low density (SR) is considered to have been left over from when the area was still in the county and before significant development which has taken place; this density/use is not considered to be appropriate for development of the site. From discussions with John Beal of City of Tucson Planning and Zoning, there is considered to be good potential (depending on end use/design) for rezoning of the site to one permitting mixed use/commercial development such as C-1 (Commercial Zone), which provides for low-intensity, commercial and other uses that are compatible with adjacent residential uses. Residential and select other agriculture, civic, recreational, and utility uses may also be permitted that provide reasonable compatibility with adjoining residential uses), or NC (Neighborhood Commercial; provides for low-intensity, small-scale, commercial and office uses that are compatible in size and design with adjacent residential uses. Residential and select other uses, may

also be permitted that provide reasonable compatibility with adjoining residential uses).

C-1 dimensional standards (general) include: 36/ac residential density, 0 minimum lot size/site area, 70% maximum residential site coverage (non-res 0), 25' height-residential, 30' non-residential.

NC dimensional standards (general) include: 8/ac residential density, 7,000 minimum lot size/site area (residential), 10,000sf non-residential; 70% maximum residential site coverage (non-res 0), 16' height.

C-1 zoning uses and dimensional standards are considered to be most appropriate for the subject site which is in a position to transition between commercial, west, and residential, east; which John Beall also opined.

Site Analysis Conclusion: The site is of reasonable size for mixed use development, 5.299 acres. Though currently indicated to be FEMA AE, it is assumed a LOMR will be accepted, removing approximately 2.9 acres from the flood zone; remaining areas to the west and east restricted by drainage easement and ingress/egress easement respectively, remaining AE. Current SR zoning is considered to be a "hold-over" zone, not appropriate for development of the site. The subject, in area transitioning from commercial to residential, is considered to be appropriate for rezoning to something such as C-1 that would permit mixed use development.

Real Estate Tax Analysis

The following information is available from the county treasurer's office; there are no real estate taxes due to municipal ownership, no special assessments indicated. The full cash values are for a parcel of 10.84 acres, which contains the subject site.

Tax Parcel	110-03-070B
FCV Land	\$114,000
FCV Impvt.	\$163,511
FCV Total	\$277,511
2020 Tax	\$0.00
Assessments	None

HIGHEST AND BEST USE

Highest and best use is defined by the Appraisal Institute in The Dictionary of Real Estate Appraisal, 6th Edition, as:

The reasonably probable and legal use of vacant land or an improved property, which is physically possible, appropriately supported, financially feasible, and that results in the highest value. The four criteria the highest and best use must meet are legal permissibility, physical possibility, financial feasibility, and maximum productivity.

Also implied is that the determination of highest and best use results from the appraiser's judgment and analytical skill, i.e., that the use determined from analysis represents an opinion, not a fact to be found. In appraisal practice, the concept of highest and best use represents the premise upon which value is based. In the context of most probable selling price (market value), another appropriate term to reflect highest and best use would be most probable use. In the context of investment value, an alternative term would be most profitable use. The four criteria for the estimate of highest and best use that result in the highest land value are that the use be, legally permissible, physically possible, financially feasible, and maximally productive.

HIGHEST AND BEST USE, AS IF VACANT:

Legally Permissible The site is presently zoned SR (City-Suburban Ranch); This zone provides for very low density, large lot, single-family, residential development and suburban ranch uses; minimum lot size is 144,000sf. The zoning is considered to be a "hold-over" zone established when the property was still in the County and surplus flood zone land, not appropriate for development of the current site. The subject, in area transitioning from commercial to residential, is considered to be appropriate for rezoning to something such as C-1 that would permit mixed use development. C-1 dimensional standards (general) include: 36/ac residential density, 0 minimum lot size/site area, 70% maximum residential site coverage (non-res 0), 25' height-residential, 30' non-residential.

It is reported, this analysis is under the assumption, that Pima County will restrict development through the RFP process, followed by development agreement, precluding residential development (sfr/apartment complex), office development (single or multi-tenant), preferring retail development that is a fit with the public amenity (The Loop), as well as neighbors and the public accessing the site other than by The Loop.

Physically Possible: The subject parcel is 5.299 acres, with moderately greater frontage on Paradise Falls and The Loop than depth. Though currently indicated to be FEMA AE, it is assumed a LOMR will be accepted, removing approximately 2.9 acres (center of the site) from the flood zone; remaining areas to the west and east restricted by drainage easement and ingress/egress easement respectively remaining AE.

It is reported that the 40 foot drainage easement is for off-site flow from the south to the Rillito River. Landscaping and parking are potentially acceptable uses for that area depending on zoning setbacks and off-site flows. There will be no need for detention on the site due to the proximity to the Rillito. Retention is likely, but could be accommodated in the drainage easement and the Loop connection area to the north. It would not compete for use on the elevated fill pad.

Utilities necessary for development appear to be available; though restricted due to the two easements and AE flood zone, the site is considered to be physically suitable for mixed use development at typical development density.

Financially Feasible: The financial feasibility of the subject site is market derived. The Tucson Metro area, prior to the Covid-19 outbreak, was slowly recovering from the recent "great recession"; residential real estate initially lead the way; though annual permits have stabilized and increased over the past several years, they are still well below historic highs of 2004-2006 and remain below long term average, home prices have continued to increase, most recently rather significantly.

The following is from the Winter 2021 issue of Arizona Economy, published by the University of Arizona Economic and Business Research center: the Arizona recovery continued in the third quarter, although at a much slower pace than during the April-June period. The state has received a significant boost from the CARES Act, with just over \$40 billion in federal funds flowing to the state in the second quarter. That supported taxable sales and boosted the recovery in retail trade, warehousing, and transportation jobs. While construction employment rose modestly from June to October, housing permits surged, rising almost one-third over the year in the third quarter.

The outlook for Arizona remains unusually uncertain and continues to be dominated by the pandemic. The baseline forecast assumes that the outbreak recedes from summer highs, but remains elevated. It also assumes significant federal stimulus in the fourth quarter of 2020. Under these assumptions, the state is forecast to return to pre-pandemic employment levels by mid-2021. The pessimistic scenario projects a slower recovery, with the state returning to its prior peak at the end of 2021.

Arizona added 55,600 jobs (seasonally adjusted) from June to October. Overall, the state has now replaced 193,900 of the 294,600 jobs lost from February to April, for a 65.8% replacement rate. The nation has replaced 54.5% of the jobs lost from February to April. Note that the state needs to add 100,700 jobs to return to pre-pandemic employment. If the state can continue to add nearly 13,900 jobs per month on average, as it has since June, then employment will be back to pre-pandemic levels next June. However, that may be a difficult pace to maintain, since over-the-month job gains averaged 6,200 during 2015-2019.

Arizona's personal income skyrocketed in the second quarter of 2020, thanks to the CARES Act. State personal income rose 11.6% over the year, driven by a 62.2% increase in transfer receipts. Net earnings by place of residence fell 0.8% and income from dividends, interest, and rent fell 1.3%.

According to estimates from the U.S. Bureau of Economic Analysis, the CARES Act pumped \$40.2 billion into Arizona in the second quarter. The largest contribution came from the Economic Impact Payments (Recovery Rebates), which added \$23.4 billion to state income. Absent CARES Act funds, Arizona's personal income would have declined 3.8% (or -14.4% annualized) from the first to the second quarter.

While construction jobs have weakened during the pandemic, housing permit activity has surged. Preliminary seasonally adjusted housing permit data suggest that statewide total permits were up 25.2% year to date through October compared to last year. Even so, house prices continue to rise at a rapid pace.

The forecast for Arizona depends on global and national economic performance. The current state and local forecasts rely on the October 2020 U.S. forecast generated by IHS Markit, which was based on the following assumptions:

COVID-19 infections and deaths recede from July levels, but remain elevated. This creates stop-and-go openings by states. A vaccine is assumed to become widely available in mid-2021.

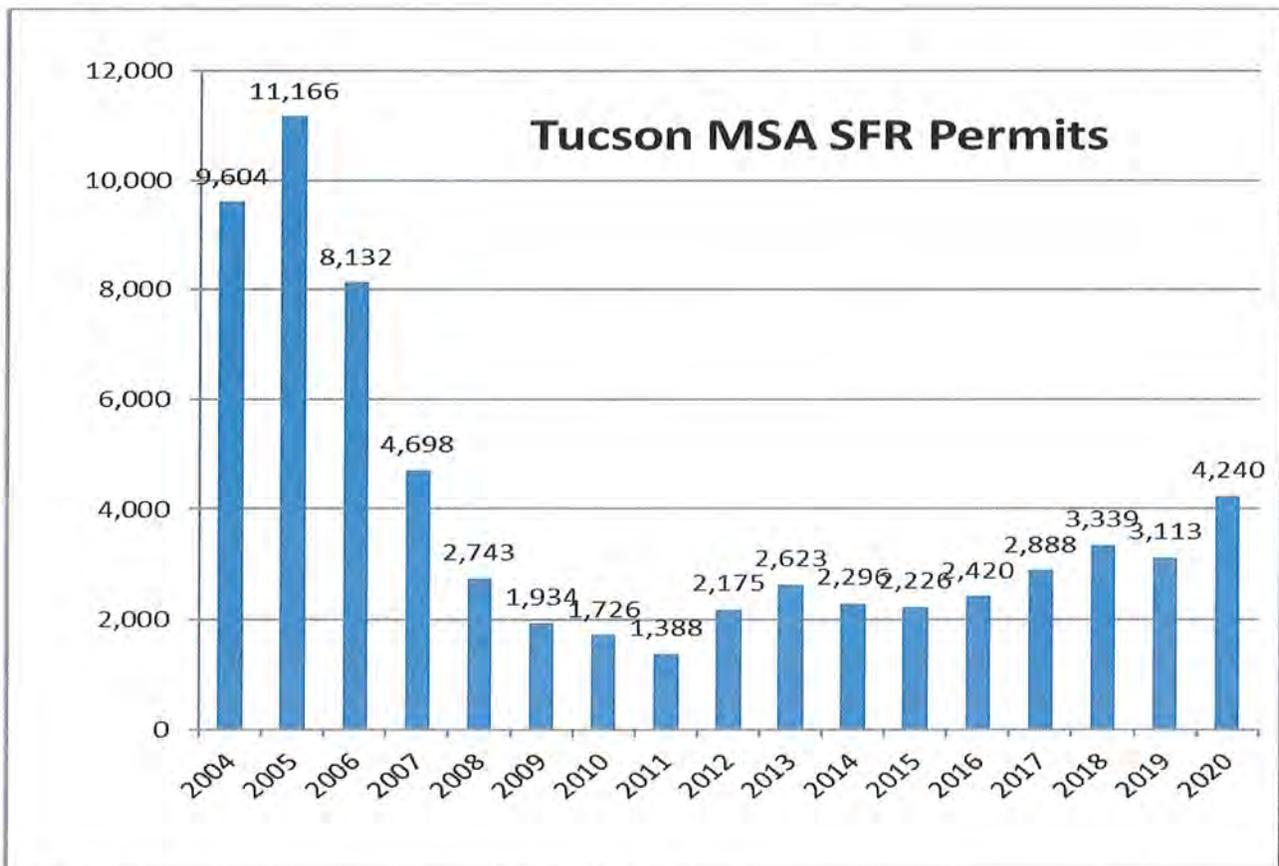
The forecast includes current federal fiscal policy actions and assumes legislation enacting a \$300/week unemployment insurance supplement from October through December. Further, the forecast assumes \$270 billion in stimulus checks are disbursed in the fourth quarter of 2020. As of this writing, it does not appear that this assumption will be met, which suggests that the baseline projections may be too optimistic. (in December congress passed supplemental unemployment insurance of \$300/week and \$600 stimulus checks)

Though the Federal Reserve has not set a date for tapering its purchases, in a January 27, 2021 press conference, Fed Chairman Jerome Powell reiterated the Committee's intent to keep interest rates low until labor market conditions and inflation hit the FOMC's standards of maximum employment and inflation moderately exceeding 2% for some time

While each real estate market and market area have been affected differently the Tucson Metro Area, the decline leading into the great recession, particularly in the Tucson Metro area was precipitated by the residential market and this market was initially the first to signal moderate recovery, it is thus summarized.

Real Estate Markets:

Residential: US Census reported single family residential permits in the Tucson Metro area (Pima County) as follows:



As indicated, residential permits dropped precipitously from a high in 2005 through 2011; 2012 and 2013 indicated the beginning of a turn around, recently there has been a string of increases, though levels are still well below a 5,000 permit long term sustainable level benchmark. Over this time period (2006 through 2011) home values decreased drastically from but again have turned around with relatively strong increases in appreciation; November 2021 statistics indicate that Tucson Median Sales Prices increased by 19.6% year over year. 2020 SFR permits have now significantly surpassed recent years. (Source: census.gov).

From site analysis and discussions with market participants as well as City of Tucson Planning and Zoning representatives, it is reasonable to anticipate rezoning to permit a mixed use transitioning from lower density residential to commercial uses (depending on design). From market analysis and trends, multifamily development is considered to be appropriate; a mixed use with a retail component, catering to recreationist traffic along The Loop may also be appropriate. Multifamily and retail markets have been analyzed; however, as the property reportedly will be restricted, prohibiting residential use, the multifamily analysis has been retained in my file; only the retail market is presented, following:

Tucson Retail Market:

The following information is from Costar market analytics:

Fundamentals have softened over the past year due to the challenges created by the pandemic. On top of the rising competition between e-commerce and brick-and-mortar retails and national store closures, actions to stop the spread of the coronavirus have put substantial pressure on retailers. Before the onset of the pandemic, entertainment, and experiential retailers, commonly referred to as "internet-resistant tenants," had been driving demand and supporting fundamentals. But last March, these same retailers temporarily shuttered operations during the statewide stay-at-home order. Restaurants and fast-food retailers were able to operate through delivery and pick-up only. While the economy has slowly reopened, consumers have remained cautious, and some retailers are operating at a fraction of their pre-pandemic activity.

Historically, rent growth has trailed the national average, and over the past few quarters, asking rents have been stagnant. Landlords have worked with tenants that have struggled to pay the rent. **Rent growth is anticipated to fall negatively in the near term.**

Tucson has not been a particularly liquid retail market, but sales velocity over the past few years is the highest on record. Sales volume slowed substantially in 20Q2, but investment activity has picked up in recent months. Demand is strongest for single-tenant properties. Although local players often dominate the investment scene, the biggest trades in recent quarters have involved investors from outside of the state chasing higher yields.

The following are key metrics from the Tucson industrial market compared to National indexes:

AVAILABILITY	MARKET	NATIONAL I...	INVENTORY	MARKET	NATIONAL I...
Market Rent/SF	\$17.89 ↑	\$21.64 ↓	Existing Buildings	5,525 ↑	1,043,571 ↑
Vacancy Rate	6.1% ↓	5.1% ↑	Inventory SF	55.4 M ↑	11.6 B ↑
Vacant SF	3.4 M ↑	593 M ↑	Average Building SF	10 K ↓	11.2 K ↑
Availability Rate	7.3% ↑	6.6% ↑	Under Construction SF	31.2 K ↓	45.9 M ↓
Available SF	4 M ↑	767 M ↑	12 Mo Delivered SF	180 K ↓	48.1 M ↓
Sublet SF	117 K ↓	23.3 M ↑			
Months on Market	16.5	13.3	SALES	MARKET	NATIONAL I...
			12 Mo Transactions	225 ↓	35,052 ↓
DEMAND	MARKET	NATIONAL I...	Market Sale Price/SF	\$193 ↑	\$213 ↓
12 Mo Net Absorption SF	24.9 K ↓	(22.6 M) ↓	Average Market Sale Price	\$1.9 M ↑	\$2.4 M ↑
6 Mo Leasing Probability	32.3%	32.7%	12 Mo Sales Volume	\$301 M ↓	\$45.1 B ↓
			Market Cap Rate	7.0% ↓	7.1% ↓

Leasing

The Tucson retail market has registered two years of negative net demand, and the near-term outlook doesn't look much brighter. Before the pandemic, the market faced challenges due to widespread national store closures that incited Tucson's weakest retail performance since the Great Recession. Last year, a statewide stay-at-home order, a second wave of partial closures, and a pause in tourism had reduced foot traffic and wreaked havoc on retail revenues. Some retailers, both national chains and mom and pop stores, have closed their doors permanently. As a result, vacancies have risen from 5.8% in 19Q4 to 6.1%.

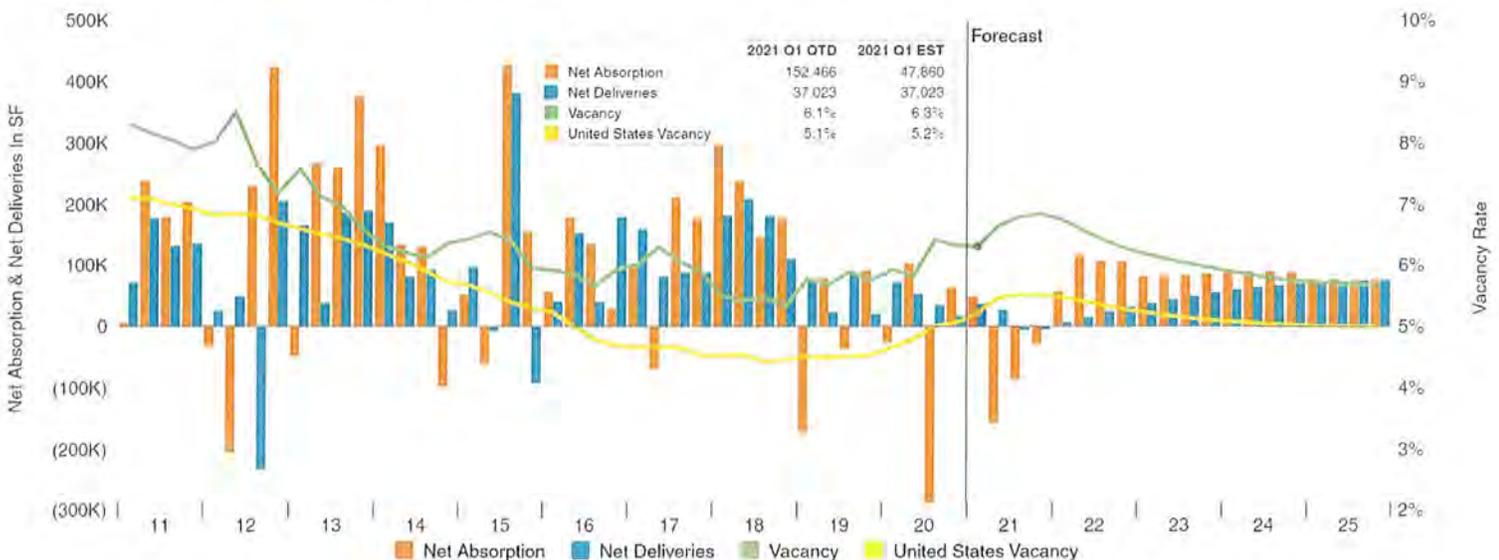
Many more restaurant, fitness, and entertainment retailers — the internet-resistant retailers that have been fueling demand in past quarters — will not be able to brace the lingering impact of the pandemic. The pandemic has accelerated trends that had existed before, including the demise of department stores. In 2019, Sears and Macy's vacated its space in Park Place Mall. In 20Q2, J.C. Penney closed at El Con Shopping Center, leaving behind about 230,000 SF. Stein Mart recently shuttered near Park Place Mall and Midtown (34,050 SF), and Mercantile Merchants closed at 443 E. Speedway Blvd. (29,600 SF).

Retailers still expanded last year, though leasing has slowed from previous years. In 2020, deal count was down about 25% from 2019. The downtrend in leases will impact future quarters of net absorption. Grocers, pharmacies, and discount and hobby stores have seen unusually high traffic and are growing. Dollar Tree (14,560 SF) and Family Dollar (9,560 SF) signed leases in 20Q3, and Burlington signed a 40,000-SF lease in December. In January, Walmart (37,200-SF) and Bob's Discount Furniture (26,230 SF) also penned new leases.

Economic trends were encouraging before the pandemic. Several corporate relocations and expansions by companies such as Caterpillar, Comcast, ADP, and Raytheon had helped boost employment growth above the national average in past months. Job creation in higher-paying sectors also helped lift Tucson's median household income, which is roughly 20% below that of the U.S. Caterpillar, for example, committed to creating several hundred jobs with average annual salaries of \$90,000 in its new divisional headquarters. Raytheon also announced expansion plans that would add 2,000 high-paying jobs to the metro over the next several years.

Job prospects and affordable living have attracted new residents, and in-migration has steadily risen. In 2019, new residents from outside of the metro accounted for more than 90% of Tucson's population growth. The compelling mix of demographic and economic growth drew new retailers to Tucson. Population and household growth are above the national average, and income growth is outperforming the metro's 10-year average.

NET ABSORPTION, NET DELIVERIES & VACANCY



Rent

Modest rent growth tends to be the norm in Tucson, which is common in tertiary markets. Year over year, asking rents edged up 2.5%. The increase doesn't reflect the weakness of rent collections since the pandemic. Retail rent collections have been weakest among all commercial property types since March. Landlords have managed numerous rent relief requests. Retail centers with grocery and drug

stores have much better rent collections than those with entertainment, services, and restaurant users. According to the Base Case scenario, rent growth is expected to turn negative over the next several quarters due to the impact of the coronavirus. Rent growth is anticipated to return positive in 2022.

The metro's average rent of \$17.90/SF is still significantly below its 2007 peak. The upscale northern suburbs tend to command the highest retail rents in the metro. As a case in point, retail space in the North/Oro Valley Submarket—an emerging tech hub located directly north of the city—rents at about a 20% premium over the market-wide rate.

VACANCY & MARKET RENT PER SF



Construction

Construction starts came to a near standstill in 2020, limiting the supply-side risk in the market over the next few quarters. About 31,000 SF is underway, and less than 15% of the space is available for lease. Most construction projects are for single-tenant standalone buildings for auto parts and fast food tenants, including O'Reilly, Panda Express, and Roadrunner Coffee.

Tucson has relatively few barriers to development. The long and slow recovery since the Great Recession has kept annual deliveries below historical averages over the past decade. Between 2008 and 2009, developers delivered nearly 4.5 million SF of retail space. Comparatively, 3.8 million SF has delivered over the past 10 years.

Sales

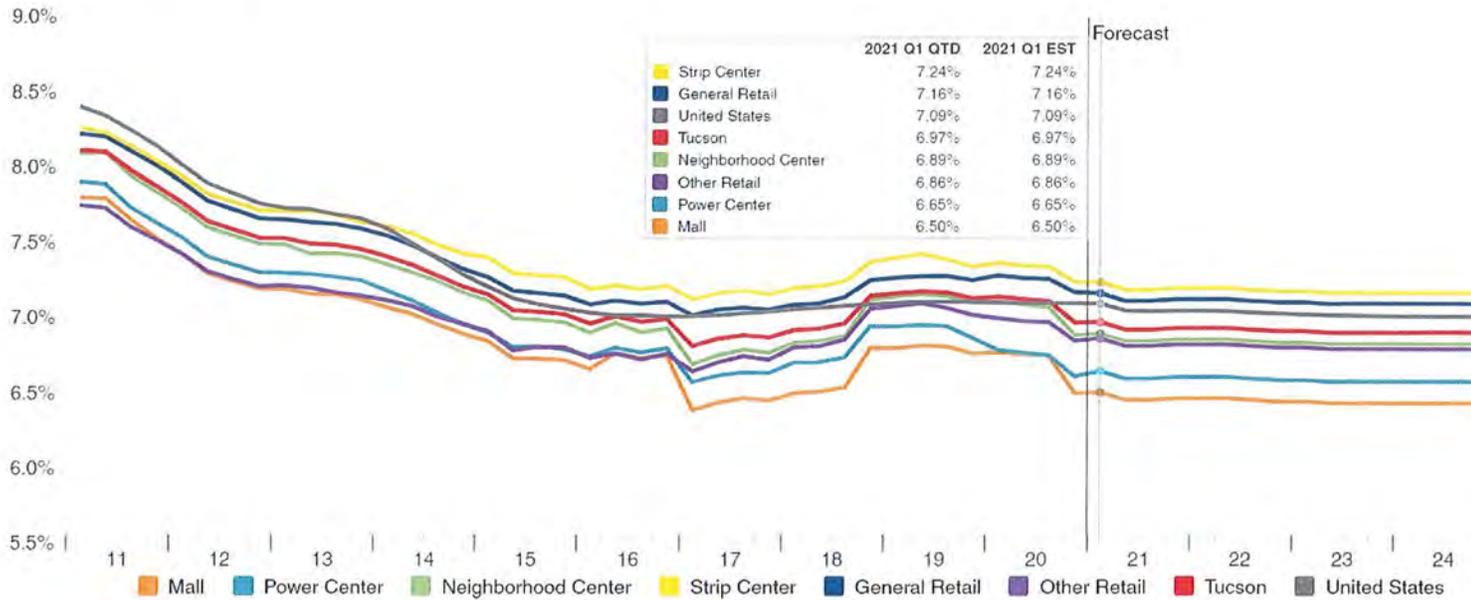
Before the pandemic, heightened investor interest translated into elevated levels of sales volume. Investment activity slowed during the onset of the pandemic, but deal flow accelerated later in the year. That momentum has carried into 2021. Opportunistic private investors have been active and are searching the market for well-located drive-through locations, auto retailers, and pharmacies.

Prior to the spread of the virus, pricing was somewhat volatile year to year, based on the variance in properties that traded hands. Most transactions in the market are for smaller properties priced under \$1 million. The average market sales price is approximately \$193/SF and has returned to prerecession levels. The average cap rate is near 7.0% and about 20 to 30 basis points higher than cap rates in Phoenix. Local players have historically dominated trades. However, plenty of money has come from outside of the state.

SALES VOLUME & MARKET SALE PRICE PER SF



MARKET CAP RATE



Submarket Analysis:

The following is summary of Tucson retail submarkets, the subject is in the northwest corner of the Central East submarket, immediately north is the Foothills submarket.

Submarket	Asset Value	Vac Rate	Avail Rate	Market										Market Cap Rate
				Market Rent/SF	Ann Rent Growth	Inventory SF	12 Mo Delivered SF	Under Constr SF	Under Constr % of Inv	12 Mo Net Absorp SF	Market Sale Price/SF	12 Mo Sales Vol	12 Mo Sales Vol Growth	
East Tucson	\$1,828,607,886	9.3%	11.3%	\$17.25	2.2%	9,675,182	18,003	0	0.0%	30,739	\$189	\$33,628,349	-14.2%	6.8%
Central East	\$1,693,622,716	8.7%	10.4%	\$17.62	2.0%	9,606,460	5,231	0	0.0%	-370,720	\$175	\$57,437,117	-26.1%	7.1%
Central West	\$1,236,957,360	4.6%	4.1%	\$16.54	2.3%	7,267,446	0	0	0.0%	-19,184	\$170	\$57,279,914	290.2%	7.1%
South Tucson	\$1,235,697,858	3.7%	4.3%	\$14.94	2.7%	6,775,661	42,196	10,900	0.2%	112,259	\$182	\$34,715,545	12.6%	7.2%
Foothills	\$1,102,190,342	3.3%	3.8%	\$22.00	3.2%	4,944,200	42,655	0	0.0%	13,344	\$219	\$9,660,000	-78.4%	6.8%
Northwest Tucson	\$930,052,503	4.7%	7.7%	\$18.47	2.3%	4,446,796	23,940	0	0.0%	101,781	\$209	\$33,295,053	-36.6%	6.9%
Southwest Tucson	\$713,761,956	3.4%	5.6%	\$19.84	4.0%	2,952,603	16,629	2,500	0.1%	81,932	\$242	\$21,542,191	41.0%	6.6%
North/Oro Valley	\$590,261,604	8.1%	9.3%	\$21.53	1.5%	2,593,649	17,848	0	0.0%	48,083	\$227	\$20,012,855	-58.0%	6.8%
Southeast Tucson	\$413,861,424	7.2%	7.1%	\$18.04	2.2%	1,843,553	22,770	0	0.0%	27,608	\$224	\$7,495,000	-17.5%	6.8%
South/SW Outlying	\$378,315,059	3.0%	6.4%	\$18.38	4.3%	1,826,497	2,200	0	0.0%	12,468	\$205	\$25,263,009	99.2%	7.2%
Downtown Tucson	\$297,487,727	6.4%	6.7%	\$17.51	2.3%	1,883,067	0	6,065	0.3%	-6,385	\$157	\$4,975,000	15.4%	7.4%
West Tucson	\$198,763,820	4.5%	4.5%	\$18.92	3.1%	908,854	0	0	0.0%	-19,673	\$217	\$2,109,809	-16.9%	7.0%
W Outlying Pima Cnty	\$68,519,980	0.0%	0.0%	\$14.78	4.1%	315,978	0	0	0.0%	0	\$217	\$100,000		6.9%
Northeast Tucson	\$60,863,449	15.3%	15.3%	\$18.02	-1.6%	301,578	0	0	0.0%	8,446	\$202	\$357,350	-68.9%	6.5%
E Outlying Pima Cnty	\$1,504,421	0.0%	0.0%	\$21.05	2.3%	6,000	0	0	0.0%	0	\$251	\$0	0.0%	6.8%
Averages/Totals		5.5%	6.4%	\$18.33	2.5%		191,472				\$206			6.9%
Subject Percentage							2.7%							

As indicated, the subject submarket is slightly below average in market asking rent, market sale price/sf and annual rent growth, and above average in vacancy and cap rates, however, the Catalina Foothills submarket is above average in asking rent, market sale price per unit and annual rent growth, and below average in vacancy and cap rates.

Being located on a minor street, retail component would be dependent the end user's ability to attract patrons without vehicular traffic visibility and on traffic/demand from recreationists using The Loop. There are presently a number of counting spots located on The Loop, though currently none on the south bank of the Rillito in close vicinity of the subject. Total counters reported traffic of 79,977 along The Loop January, 2021, a daily average of 2,580, an increase of 18.4% over 2020. By far, greatest traffic, roughly 50%, was counted at Rillito River Park, NB (north bank) at Rillito Park. Along the Rillito River Park, last month totals were 40,007, average daily 1,291, an increase over the past year of 15.1%; use is reportedly 51.6% pedestrian and 48.4% cyclist.

In discussing The Loop with Robert Padilla, Pima County Parks, reported that just this week, 6 additional counters have been installed, though again, none are in close proximity to the subject. I asked if he was aware of any retail type uses along the Loop that were oriented primarily to receive/serve traffic along The Loop, he mentioned that "a couple of years ago we tried a pilot program with vendors that wanted to setup shop along he Loop but it failed".

Maximum Profitability: In conclusion, absent the restriction on use, the highest and best use "as if vacant" is considered to be speculative or investment until the market has stabilized following containment of Covid-19. Ultimately, highest and best use, based on potential for rezoning, subject situs and site characteristics, would be anticipated to be mixed use development of residential with a potential retail component capturing demand from recreationists along The Loop. Development of apartments would seem to be potentially maximally profitable and this use is now often offered with a retail component to serve apartment residents and pedestrian traffic. However, per the proposed RFP and development agreement, the potential uses are restricted to retail; as indicated following, there is anticipated to be very little demand for this type of use.

HIGHEST AND BEST USE, AS IMPROVED:

The subject site is unimproved with the exception of the paved road in ingress-egress easement leading back to parking for The Loop. The road adds value to the site above value of the site as unimproved. Highest and best use as improved is thus considered to be retention of the road improvement and eventual development of the remainder site (highest and best use as vacant above).

VALUATION METHODOLOGY

In the appraisal of real estate, three methods of estimating value are often employed, depending on the characteristics of the property; they include the Cost Approach, Sales Comparison Approach and the Income Approach.

The cost approach is a set of procedures through which a value of the fee simple interest is derived by estimating a reproduction or replacement cost of improvements, deducting accrued depreciation from all sources, and adding the value of the site as if vacant. This approach is particularly useful in the analysis of a property that is new or nearly new, which is not significantly affected by any forms of depreciation, and properties that are not frequently exchanged in the market.

The cost approach includes a site value typically based on sales comparison and site improvements based on a national cost source or local construction cost bids. The subject is a largely undeveloped site, the cost approach is not considered to be applicable to the subject analysis.

The Sales Comparison Approach is a set of procedures through which value is estimated by comparison of the subject property to the sales of similar properties that have recently sold, making adjustments to the sales for differences between the subject and the comparable property's based on units of comparison. The sales comparison approach is applied and considered to be appropriate as the sales provide meaningful analysis of property similar to the subject in the current market.

The income approach is a set of procedures through which value is estimated based on the future benefits of property ownership (income earning potential) of the property appraised. Rental income is estimated based on analysis of similar market properties and/or the subject income stream from existing leases. Incomes are reduced by expenses to the owner and net income is capitalized by either direct capitalization, yield capitalization, or both. Properties of this type appear to be typically purchased for owner use/development rather than for income earning potential, thus the income approach is not considered to be necessary for credible assignment results and is not employed.

SALES COMPARISON APPROACH

The sales comparison approach considers the recent sales of properties with similar use and improvements to the subject. This technique is an application of the principle of substitution which affirms that, when a property can be replaced with an alternative property of similar utility without undue delay, its value tends to be set by the cost to acquire such an equally desirable substitute property.

The sales comparison approach is the process of analyzing sales data of properties considered comparable to the subject being appraised. The reliability of the sales comparison approach is dependent upon (a) the availability of comparable sales data, (b) verification of the sales data and derivation of various indicators of value, (c) the absence of non-typical conditions affecting the sales price of the comparable sales, and (d) the degree of comparability of the sales to the subject and the extent of adjustments required to make the sales equal to the subject.

Under the sales comparison analysis there are ten basic elements of comparison that will be considered in sales comparison analysis; they include:

1. Real property rights conveyed
2. Financial terms
3. Conditions of sale
4. Expenditures made immediately after purchase
5. Market conditions
6. Location
7. Physical characteristics
8. Economic characteristics
9. Use
10. Non-realty components of value

Adjustments for items 1-5 above are made first if necessary, indicating an "adjusted sale price". The comparables prices are each then adjusted for differences in location, physical characteristics (including use or zoning), economic characteristics and any non-realty components of value.

After adjusting the comparable sales prices to compare equally to the subject, the sales are reduced to common units of comparison for further analysis. The units of comparison selected depend on the type of property being appraised. The comparables have been analyzed on a price per square foot site basis which is a common unit of comparison for properties such as the subject. The comparable properties are then adjusted for locational, physical and economic differences as indicated.

A search of the Tucson area market revealed the following sales, considered to be most applicable to this appraisal valuation.

COMPARABLE SITE ONE

Location: 6415 S Fiesta Ave, Tucson, 85706
Tax Code Number: 138-14-460, 461
Records: 11/23/2020, 2020 3230872
Seller: Fiesta Ave Property LLC
Buyer: Title Security Agency LLC TR 202062-S
Sale Price: \$190,000, \$250,000 Asking price, 2,105 DOM
Site Size: 147,617sf, 3.39ac
\$/Sf Site \$1.29
Terms: Cash
Zoning: C-2, Tucson Commercial
Comments: Located north of Valencia at 8th Ave and Fiesta Drive; there is an easement to Valencia (39,606vpd (20) traffic counts), permitting right in/right out, of 225.5' depth to the site and the property reportedly has permitted access to 20% of the existing Family Dollar Store monument sign on Valencia. The site was purchased for investment; there were no significant site development issues, all utilities were available, FEMA-X.
Confirmation: Andrew Sternberg, listing agent/seller representative, 520.729-1694, pdh 2021184

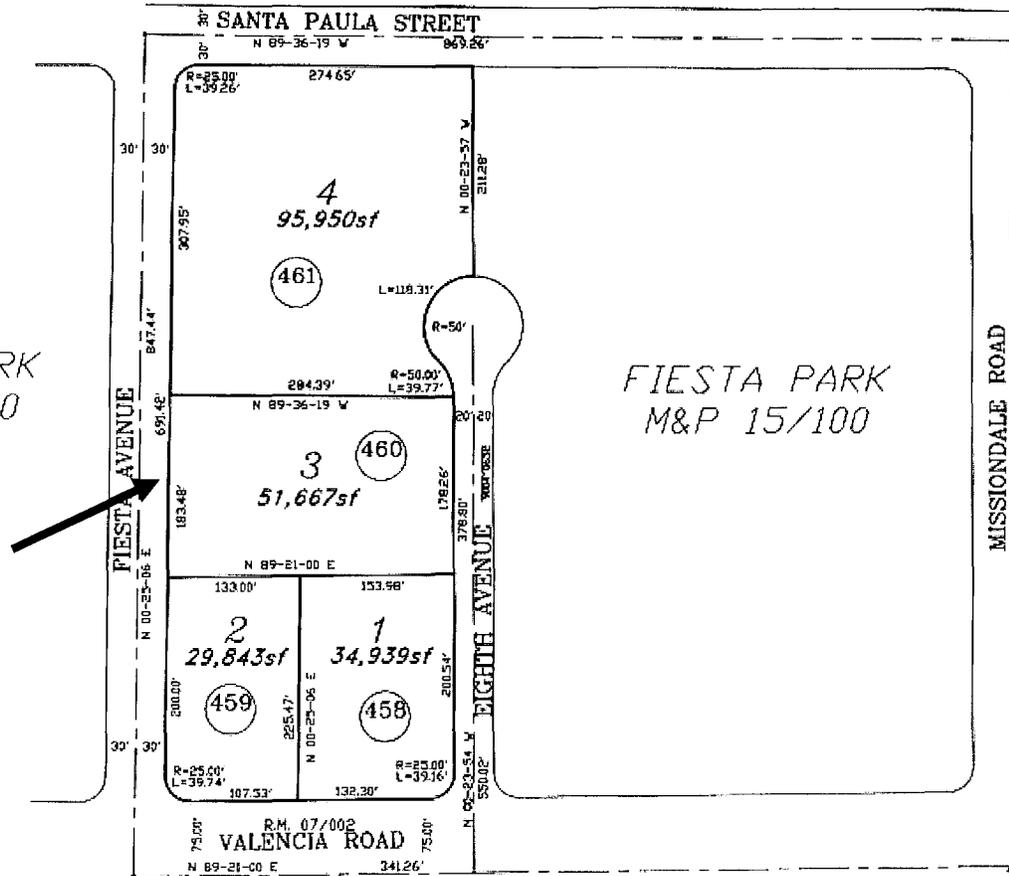


138-14

FIESTA PLAZA LOTS 001-004

FIESTA PARK
M&P 14/089

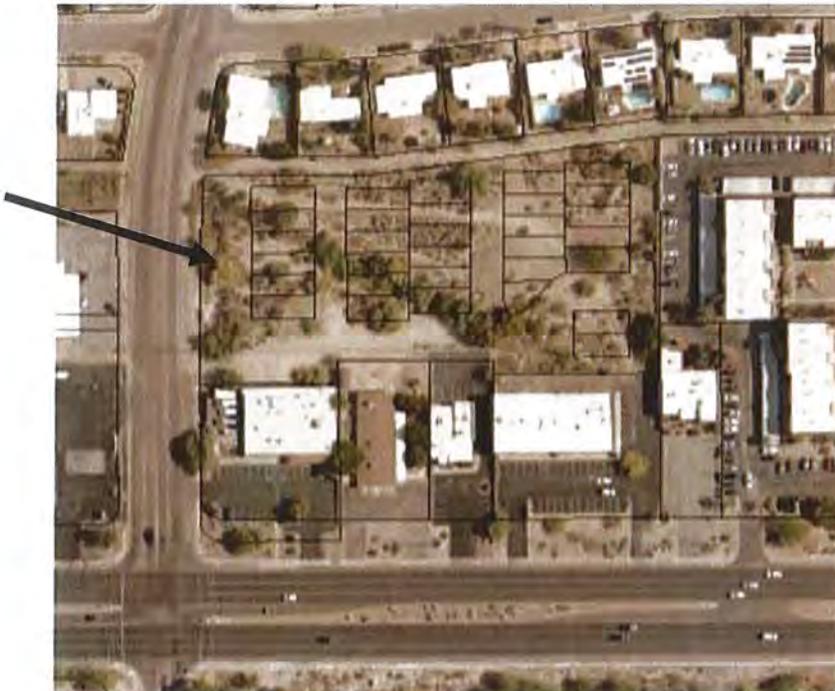
FIESTA PARK
M&P 15/100



ELSTONE SUBDIVISION
M&P 08/017

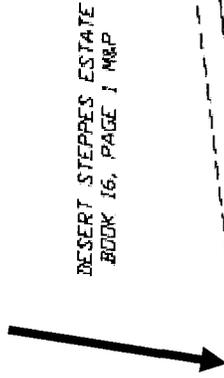
COMPARABLE SITE TWO

Location: 1100 S Sarnoff Dr, Tucson, 85710
Tax Code Number: 134-08-406
Records: 9/03/2020, 2020 2410513
Seller: Triple Crown Villas LLC
Buyer: WAA Investment Holdings (April Wardon)
Sale Price: \$195,000, \$350,000 to \$195,000 Asking price, 476 DOM
Site Size: 113,256sf, 2.60ac
\$/Sf Site \$1.72
Terms: Cash
Zoning: C-1, Tucson Commercial
Comments: Located on Sarnoff Dr. n/o 22nd St; no traffic counts on Sarnoff. The property had an approved and recorded Final Plat for 30 residential lots under the RCP code which expired; the RCP code was replaced with FLD code under which the site would need to re-submit/re-design for approval. The purchaser, typically a developer of self storage units, the site was considered too small for this use; the listing agent believes the site was purchased for development of residential rental units; however, not a 30 lot plan. FEMA-X; the Owens Park wash (1,000-2,000cfs) crosses through, the site had a 40' DE and ingress/egress easement, the DE was removed by plat but a greater area retained as common area.
Confirmation: Ben Becker, listing agent, 520.323-5149, pdh 2021184



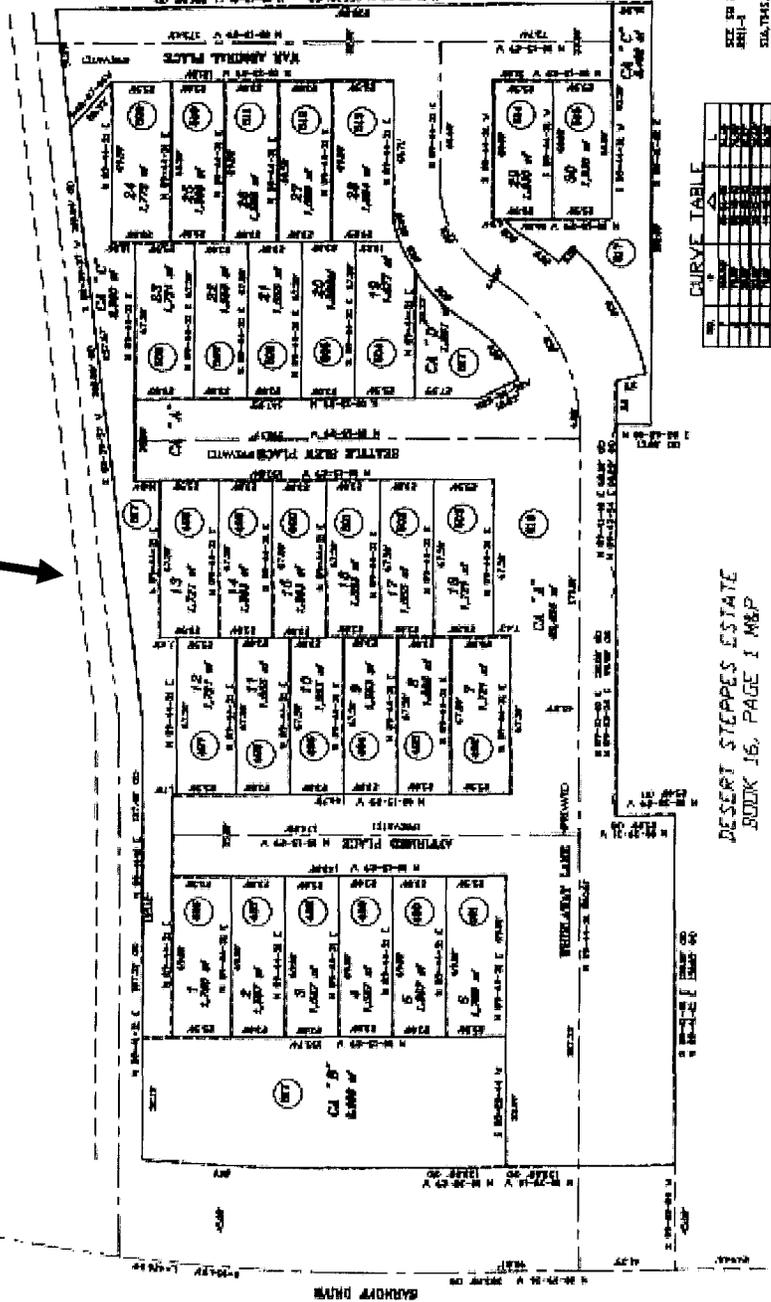
1100 S Sarnoff

DESSUR'S RECURD MAP
34-08
TRIPLE CROWN VILLAS TOWNHOMES
LOTS 001-030 & COMMON AREA A - D



DESERT STEPPES ESTATE
BOOK 16, PAGE 1 M&P

DESERT STEPPES ESTATE
BOOK 16, PAGE 1 M&P



COMPARABLE SITE THREE

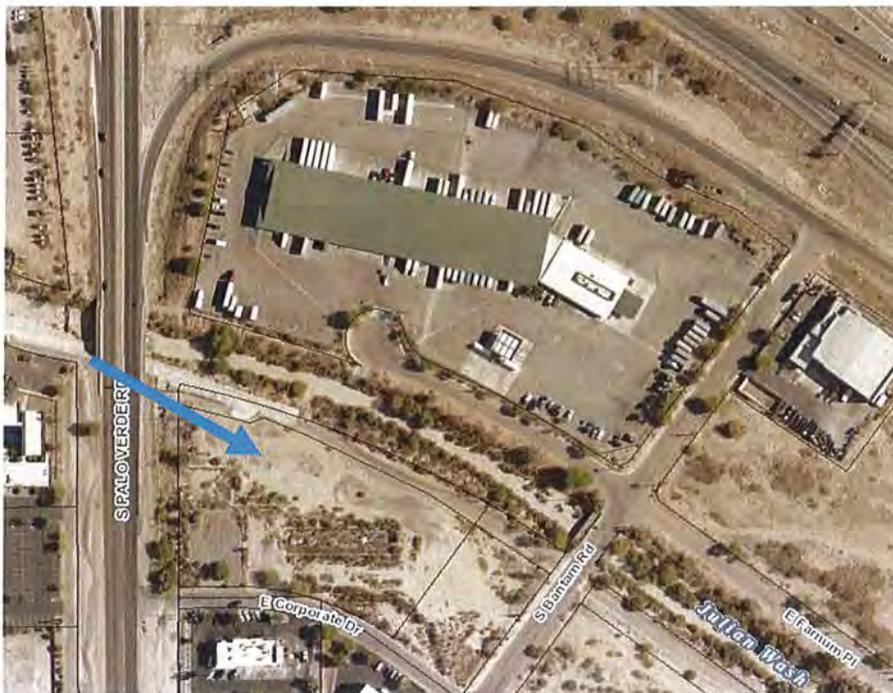
Location: 5341 N La Cholla Dr, Tucson, 85741
Tax Code Number: 101-13-015N
Records: 5/11/2020, 2020 1320609
Seller: Tucson Electric Power Co
Buyer: Plaza De Luna LLC, Mike Baird
Sale Price: \$75,000, \$75,000 Asking price,
Site Size: 74,627sf, 2.60ac
\$/Sf Site \$1.00
Terms: Cash
Zoning: SH, Rezoned to CB-2, Pima County Commercial, prior to close
Comments: Located on La Cholla (324.34' frontage) s/o River Road, south of a c-store at the southwest corner (traffic signaled intersection). Traffic counts on La Cholla are 24,599vpd (20; s/o Curtis Rd). The site is located on the north bank of the Rillito, adjacent to The Loop path. Sewer and water reportedly will need to be extended from near the River-La Cholla intersection across the adjacent site to the north (requiring easement), the sewer may require a lift station. There were issues with access on La Cholla due to proximity of culvert, bridge and bus pullout, all resolved, as well as the zoning changed, by the purchaser during the long (12-18mo) escrow. There is an overhead power line restricting development. The purchaser, a local developer plans a commercial mixed use to potentially include a restaurant (with patio dining), upscale salon and perhaps a physical therapist aimed at The Loop traffic/amenity as well as typical vehicular traffic. The majority of the site is FEMA X-shaded, roughly 23% is indicated to be in the floodway/AE; however, this area appears to be the location of The Loop bike path, not the usable area of the site.

Confirmation: Mike Baird, purchaser, 520.977-4603, Brandon Rogers, listing agent, 612-7962 pdh 2021184



COMPARABLE SITE FOUR

Location: NEC Palo Verde & Corporate Dr. (3555 E), Tucson 85706
Legal Description: Ptn Lot 7 Coronado Commerce Center, Pima County, Arizona
Tax Code Number: 140-07-008C, 007D
Records: Escrow January 2021
Seller: F&R Fleetwood LLC
Buyer: Village Gifts
Sale Price: \$700,000 (\$825,000 asking price, approx. 3 mo on market)
Site Size: 3.88 acres (survey prior to reduction of encroachment area)
\$/Sf Site \$4.14
Terms: Cash to seller
Zoning: CI-1, Pima County Industrial
Comments: The site is located on the northeast corner of Palo Verde and Corporate Drive, also fronting on Bantam and located adjacent to Julian Wash segment of "the Loop". Traffic counts on Palo Verde are 23,545vpd (19). FEMA zoned X, all utilities available. The above sale information is prior to adjustment for a parcel encroached upon by Pima County for Loop multi-purpose trail; the seller will be compensated for PC acquisition of encroachment area and the sale reduced commensurately (at same \$/sf of site). There are other issues discovered by survey that will be corrected with price adjusted if necessary. Reportedly purchased for development of a building related to the Jem Show.
Confirmation: Steve Cohen, listing agent, 546-2750, pdh 2021180.



ASSESSOR'S RECORD MAP
140-07
CORONADO POINTE COMMERCE CENTER
LOTS 001-003 & 007-016A

DETAIL 2

EXCLUDED

(RESUB 36/100 M&F)

PALO VERDE COMMERCE CENTER
BOOK 36 PAGE 083 M&F



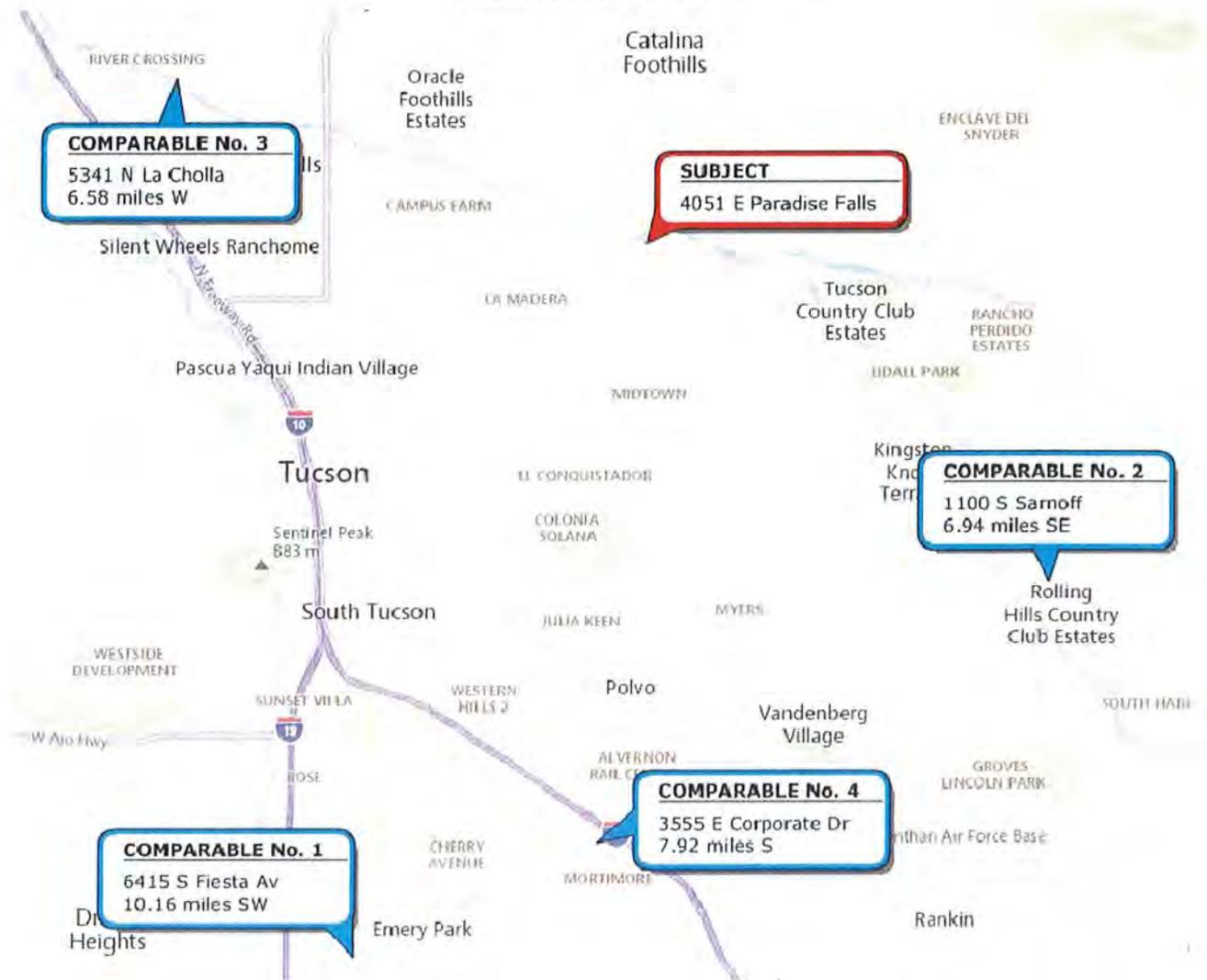
MORTIMORE ADDITION
BOOK 10 PAGE 013 M&F

SEE BOOK 36 PAGE 081 MAP
2016-2
S04-TISS-014E
LMP38V2021.02 03/10/18

0 100 200 300 400
FEET

CCS

SALES COMPOSITE MAP



Value Analysis

Three sales and a current escrow have been selected for comparison in the subject value analysis.

Adjustments are applied to provide insight into the relative significance (weight) of the characteristic being considered and difference from the various comparable sales to the subject parcel. While based on appraisal experience and interpretation from the market, they are not intended to be precise to each comparable and category.

Property Rights: The sales all were fee simple interests, no adjustment necessary.

Financing: The sales were cash to seller, no adjustment is necessary.

Conditions of Sale: The sales were considered to have had typical sale motivations, no adjustment is considered necessary.

Market Conditions: The sales occurred from May through November 2020, comparable 4 is a current escrow. The commercial market improved in 2019 pre-Covid 19; the coronavirus outbreak created headwinds that temporarily weakened the market's performance; some markets, including residential and industrial properties have since again strengthened, retail, with the exception of highest traffic

visibility sites appropriate for drive-through traffic use, is considered to be stagnant; adjustment for market condition is not considered to be appropriate.

Location: as mentioned, the subject is in an area of transition from higher density, lower value property in the central market to the foothills of lower density and greater property value. Comparables 1, 2 and 4 are considered to be inferior due to lower surrounding property median home values and resident incomes, they are adjusted upward accordingly; comparable 3 is considered to have offsetting influences, while inferior in surrounding demographics, it is in an area of superior commercial district/use, not requiring adjustment.

Size; the subject and comparables re considered to be roughly similarly moderately sized property appropriate for smaller mixed use/commercial development; no adjustment is considered necessary.

Zoning: comparables 1, 2 and 4 are all superior to the subject due to having zoning appropriate for planned development; they are all adjusted downward. Comparable 3 required rezoning, similar to the subject, no adjustment is necessary.

Use Restriction: As mentioned, the site is being analyzed presuming use restriction through the RFP process, followed by development agreement, precluding residential development (sfr/apartment complex), office development (single or multi-tenant), preferring retail development that is a fit with the public amenity (The Loop), as well as neighbors and the public accessing the site other than by The Loop. Highest and best use prior to this use restriction was considered to be a mixed use residential (apartment or rental casitas) with small retail component on a northern portion of the site adjacent to The Loop. Restricting the use to retail, given lack of significant vehicular traffic visibility is considered to greatly restrict the number of users willing to take on risk of such a development. During the analysis, I discussed potential development/demand with market participants including:

Andrew Sternberg, comp 1 listing agent and seller representative, who opined that value of the site may not be hindered but it would certainly take an extended marketing period to find an interested purchaser.

David Baird, developer/purchaser of sale 3 reported that due to the lack of traffic visibility, he would not be interested in the speculative acquisition at any price, unless he had a user in hand. Brandon Rodgers, listing agent in the sale also opined that it would be very difficult to find a retail user interested in the site due to the lack of vehicle visibility; users would be restricted to fast refreshment such as a coffee shop, yogurt/smoothie, walk up food counter etc. rather than a dine-in establishment.

Steve Cohen, listing agent involved in sale 4, also on The Loop thought it would be virtually impossible to find a retail user dependent largely on Loop traffic rather than vehicular visibility; " it would be like doing an industrial building without the ability to bring loading trucks to the site".

Nancy McClure, retail specialist with CBRE opined that no one would be willing to take on the site, "you couldn't give it away". She mentioned that for some reason Tucson marketers don't use The Loop as a selling point, she appreciates The Loop and can't understand why it isn't loudly heralded in marketing efforts for offices, residential uses, etc, with access to it; she mentioned that mixed use retail such as student housing around the University and Downtown and newer office developments with excellent pedestrian linkages are sitting vacant; the subject site wouldn't work.

Rob Tomlinson of Picor mentioned several times that he loves The Loop and the idea of retail being offered for Loop recreationists. He would patronize such an establishment at the subject site, envisioning stopping there with family during/after a ride likely once a month. But as we continued to discuss and mention other establishments offering food/drink/services along The Loop, he also mentioned the need for the goal/dream to intersect with market reality. In discussing the subject site he continually mentioned comparable indications of market value that were residential uses. In the end, he opined that the most that retail would have a chance of success would be on perhaps one acre at the northern end of the site next to The Loop, the remainder of the site would not be appropriate for retail use.

Comparables 1, 2 and 4 are adjusted downward for this use restriction, limiting potential development options, varying by restriction to uses anticipated; comparable 3 is similar in planned eventual use, not requiring adjustment.

Improvements: the comparables have no improvements, whereas the subject site is improved with paved driveway the length of depth along the eastern boundary. While the ingress/egress easement is servient to The Loop recreationists, the subject site is nevertheless benefitted by the road. Each of the comparable sales is therefore considered to be inferior and adjusted upward.

Site Utility: the subject is restricted due to a significant portion of the site to remain AE, even after acceptance of LOMR, however, much of this area is within the two easements (drainage and ingress/egress), which are beneficial to the site in some respects; further, as typical development coverage does not approach 50% of site coverage, the restricted area is considered to be of relatively minimal disruption in utility. Comparables 1 and 4 are adjusted downward for superior site utility, comparable 1 to a lesser extent for its raw (ungraded) condition; comparables 2 and 3 overall are considered to be inferior, comparable 2 for raw condition and comparable 3 for shape and power line, are considered to be inferior and are thus adjusted upward.

Utilities: The subject and comps 1, 2 and 4 are believed to have had all utilities necessary for development available. Comparable 3 is inferior and adjusted significantly upward due to sewer and water needing to be extended from near the River-La Cholla intersection across the adjacent site to the north (requiring easement), the sewer likely requiring a lift station.

Access/Exposure: The subject is an interior street parcel with little traffic visibility but has somewhat uniquely greater visibility from recreationists utilizing The Loop. Comparables 1 and 2 are considered to be offsetting, not requiring adjustment. Comparables 3 and 4 are greatly superior to the subject (while also having Loop frontage) due to the subject use being restricted to retail though the having very little vehicular visibility/exposure and the comparables having far superior traffic visibility and linkages, they are thus adjusted downward.

Other (recreation): the subject and comparables 3 and 4 are on The Loop, considered to be a benefit for recreational amenity as well as the ability to commute by alternative transportation. Comparables 1 and 2, not thus benefitted, are adjusted upward.

Conclusion: the subject is considered to be bracketed by the comparables, Sales 1 having offsetting adjustment and sale 3 net upward adjustment, comparables 2 and 4 net downward adjustment. After the above analysis of comparable sales, a subject value at \$1.15/sf, rounded to \$265,000, is considered appropriate.

Greater detail concerning the comparable sales and their adjustment when compared to the subject site is available on the following grid:

SITE SALES COMPARISON SUMMARY					
Comparable	Subject	Comp 1	Comp 2	Comp 3	Comp 4
Location	4051 Paradise Falls	6415 S Fiesta Ave	1100 S Sarnoff Dr	5341 N La Cholla	NEC Palo Verde, Corporate
Tax ID Number	110-03-70B	138-14-460	134-08-406	101-13-015N	140-07-008C
Sales Data					
Date of Sale	Current	Nov-20	Sep-20	May-20	Escrow
Sales Price	N/A	\$190,000	\$195,000	\$75,000	\$700,000
Site Size (ac)	5.299	3.39	2.60	1.71	3.88
Price per SF	N/A	\$1.29	\$1.72	\$1.00	\$4.14
Property Rights (Interest)	Fee Simple	Fee Simple	Fee Simple	Fee Simple	Fee Simple
Interest adjustment	0%	0%	0%	0%	0%
Financing	Cash	Cash	Cash	Cash	Cash
Cash Equivalent Price	N/A	\$190,000	\$195,000	\$75,000	\$700,000
Conditions of Sale	Average	Average	Average	Average	Average
Condition Adjustment	0%	0%	0%	0%	0.00%
Market Condition (Time)	Current	Nov-20	Sep-20	May-20	Escrow
Market Conditions Adj.	0.0%	0.0%	0.0%	0.0%	0.0%
Adjusted price/sf	N/A	\$1.29	\$1.72	\$1.00	\$4.14
Physical Characteristics					
Location	Avg/Good	Inferior	Inferior	Offsetting	Inferior
Size (ac)	5.299	3.39	2.60	1.71	3.88
Zoning	SR (C-1*)	C-2	C-1	SH to CB-2	CI-1
Private Restriction	Retail	None	None	None	None
Improvements	Paved Access	None	None	None	Nil
Site Utility, Flood Zone*	45.3%	Raw	Raw, Drnge	shape, p-line	Average
Utilities	Average	Similar	Similar	Inferior	Similar
Other (recreation)	The Loop	None	None	None	The Loop
Access Visibility	Int/Loop	Offsetting	Offsetting	Superior	Superior
Adjustments					
Location	0.0%	25.0%	10.0%	0.0%	20.0%
Size	0.0%	0.0%	0.0%	0.0%	0.0%
Zoning	0.0%	-10.0%	-10.0%	0.0%	-10.0%
Private Restriction	0.0%	-20.0%	-50.0%	0.0%	-25.0%
Improvements	0.0%	5.0%	5.0%	5.0%	5.0%
Site Utility, Flood Zone*	0.0%	-10.0%	5.0%	10.0%	-15.0%
Utilities	0.0%	0.0%	0.0%	50.0%	0.0%
Other (recreation)	0.0%	7.5%	7.5%	0.0%	0.0%
Access Visibility	0.0%	0.0%	0.0%	-50.0%	-50.0%
Summary					
Net Physical Adustments	Same	Downward	Downward	Upward	Downward
Net Adjustment (Overall)	0.0%	-2.5%	-32.5%	15.0%	-75.0%
Adjusted Comp Price / Ac	N/A	\$1.25	\$1.16	\$1.16	\$1.04
Subject Value (\$/sf)	\$1.15				
Subject Value	\$265,000				

Market Lease Rate Analysis

At client request, the following is an analysis of market rental rate for the site. Precise terms of a hypothetical lease have not been provided; it is assumed that it would be a long term ground lease of sufficient duration to justify capital building improvements, typically at least 50 years with rental rate adjustments during the term and likely additional option term extensions.

The following sale/lease comparables indicate site capitalization rates from 4.75% to 10.00%, however, most of the comparable sale rates are lower due to existing improvements that would be retained at the end of the lease; further, most are superior significant traffic view corners or other locations that would be in demand for national credit type tenants, indicating a lower cap rate than that reasonable for the subject site.

Rob Glaser, industrial specialist with Picor has leased undeveloped sites and continues to offer a number of such sites on a for sale or for lease basis; when asked how he determined asking lease rates, reports that (for "yard" sites) he typically prices in the range of 8%-10% of site value with adjustment for location and other peculiarities if any.

Terry Dahlstrom, a broker with the Volk Company, indicated that leases are generally written at a rate of 10%. He also indicated that sellers carrying back a first deed of trust will generally expect a rate range from 8.5% to 10%, depending on the terms of sale.

Jim Marian, broker with Chapman Lindsey, indicated that sellers carrying back notes on land sales transactions will generally reflect a rate of return range from 8% to 11%, depending on terms of sale and financial strength of the buyer.

Ben Becker, a land specialist with CBRE reports that he does not typically market sites for lease but reports that he would anticipate 9% to 10% as a reasonable lease rate.

Andy Romo, broker and investor, indicated that the most recent ground lease he negotiated was 1993, at the northeast corner of Speedway and Campbell to a Boston Chicken; the lease rate 10%. He also offered the lease of a site on the south side of Grant west of I-10 to QuikTrip Convenience Stores and that prior to the sale the purchaser had also investigated the possibility of a land lease. The rate of return discussed was 8%. Mr. Romo reported that in his experience, the rate of return for a land lease is typically between 8% and 10%, depending on the credit of the tenant.

Bill Young, an investor with Horseshoe Management, indicated he would want a rate of return of 10% to 12%. If the tenant is financially strong and the value is at market, then the rate would be 10%, if the tenant is financially weak and the value is low, then the rate of return would be 12%. Land contracts or first deeds of trust that he carries back are typically at a rate of 10%. He indicated that he recently extended a land lease to Wells Fargo Bank for property located on the west side of Campbell Avenue, north of Glenn Street, basing the land lease on a 10% return to the land value, which he estimated to be \$15.00 per square foot; the parcel size totaling 65,489sf which indicates a total estimated land value of \$982,000 (rounded). The new land lease to Wells Fargo is at \$100,000 for the first year with 3% annual increases based on a 10-year term with two 5-year options. The lease rate reflects a rate of return to the estimated value of 10.18% ($\$100,000/\$982,000$).

George Larsen of Larsen-Baker Real Estate has been active in the sale and leasing of land for commercial uses and is an active real estate broker in the Tucson market. Mr. Larsen indicated that he recently leased a parcel of land located on Houghton Road and Golf Links Road to QuikTrip Convenience Stores, the 78,400sf parcel leasing at a rate of \$129,000 per year. Mr. Larsen indicated that he based the lease rate on a 10% return to value, or \$1,290,000 ($\$129,000 / .10$). This is equal to \$16.45 per square foot for the land. Mr. Larsen indicated that in his real estate experience, the rate of return for a land lease is typically between 8% and 10%.

Jonathan Jump of Jump Real Estate Investments, has been active in the sale and leasing of land for commercial uses and is an active real estate broker in the Tucson market. Mr. Jump indicated that he

recently leased a parcel of land to Valero for the development of a gas station/convenience store. The land, located at Drexel Road and Houghton Road, totals 75,000sf and is leasing at a rate of \$150,000 per year. He related that he did not use a typical rate of return formula to estimate the land lease rate, but that he is familiar with the industry standard rate of return being between 8% and 10%.

David DeConcini of 4-D Properties indicated that his company recently entered into two land leases. The first at the northwest corner of Irvington Road and Benson Highway, the tenant QuikTrip; the rate of return used for the land lease was 10% on a land value of \$1,320,000, or \$132,000 per year. The lease is for a 20 year period with 6-five year options. The second lease was with a Circle K, located at 6th Avenue and Interstate 10. He indicated that the Circle K Corporation dictates a non-negotiable 8% rate of return for the land lease, but that the land is valued at the upper end of the value range which had the net effect of equaling a 10% rate of return to the lessor. The lease period is for 20 years with 8-five year options.

The City of Tucson leased a 3.3 acre site at the northwest corner of 22nd and Interstate 10 frontage road initially in April 2000 at the rate of 141,930, NNN with annual indexing at 2.5% or CPI, whichever is less. The lease is for 55 years, terminating in 2055, with 6 additional 5-year options, renewal rates based on 9% of site market value. The southern 113,692sf has been available for sub-lease, negotiable, however, when asked about the asking lease rate, the broker reported a recent appraisal at \$1,400,000 and market lease rate of \$112,000, NNN, 8% of value.

Max Fisher of Picor recently leased a 2.13 acre industrial site in northwest Tucson for 3 year lease. The site was fenced and leased by a company with other operations in the area (thus considered to be effectively an expansion). The lease rate divided by sales in the area indicating approximately \$3.00/sf indicate a site lease rate of 8.62%.

Nancy McClure of CBRE currently has a site at the northwest corner of Interstate 10 and Grant Road available for sale or lease (now in escrow). The for-lease rate is based on 10% (however reportedly negotiable in the range of 8% to 10%) land cap rate applied to the asking for sale price; the lease would likely be for at least 50 years with additional option periods; indexing of 8% to 10% every 5 years.

Based on the preceding information and that retained in my files, a reasonable annual rate of return for the site at 8% to 10% is considered to be reasonable.

The following are summaries of supporting leases and sales of land leased parcels.

No	Location	Tenant/Use	Date	Price	Ro	Sf Site	SP/SF Site	Improvements	Rem Term	Indexing
1	SWC Kolb, Sunrise (6920 NWC	Wells Fargo Bank	12/22/2017	\$1,269,500	4.75%	49,372	\$25.71	3,487sf Bank	3.5yrs, 5- 5yr options	15% every 5 yrs
2	Tangerine & Thornydale 12140 N Dove	Chase Bank	1/12/2016	\$2,850,000	4.63%	43,473	\$65.56	4,182sf Bank	13yrs, 4-5yr options	10% every 5 yrs
3	Mtn Blfd NWC Ina, Cam	Wells Fargo Bank	9/18/2015	\$2,118,000	4.79%	31,355	\$67.55	4,719sf Bank	Unknown 12yrs, 7-5yr	Unknown 1.5% every
4	DL Tierra 8980 E Tanque Verde	QuikTrip C-Store Walgreens Drug Store	11/30/2015 1/15/2014	\$2,300,000 \$8,300,000	5.44% 5.50%	137,196 135,001	\$16.76 \$61.48	5,618sf C-store 14,596sf Drug Store	options 75yrs, term opt 21yr 4 yrs, 2-5 yr	5 yrs GS, .5% Prscp
5	SEC Kolb & Valencia 3650 W	Diamond Shamrock C-Store Fletcher's Tire	1/10/2014	\$820,000	9%*	236,980	\$3.46	3,282sf C-store	options	N/A
6	Tangerine Rd NEC Ajo & 12th Ave	Retail Circle K C-Store	4/23/2013 12/24/2012	\$1,275,000 \$655,000	6.47% 8.95%	36,980 15,625	\$34.48 \$41.92	6,011sf Retail automotive 2,680sf C-store	20 yrs, 4-5 yr options 5 years 20yrs, 4-5yr	10% every 5 yrs N/A 5% every 5 yrs
7	NWC River & La Cholla SWC Oracle &	McDonalds Fast Food	9/24/2012	\$2,200,000	4.90%	57,265	\$38.42	3,699sf Fast Food 135,653sf	options 12yrs, 4-10 yr options	N/A 5% every 5 yrs N/A
8	Limberlost 1306 W Grant 3700 E	Lowe's Retail N/A Available (2019)	4/16/2010 Current (listing)	\$9,335,727 \$619,000	7.60% 10.00%	367,385 27,811	\$25.41 \$22.26	Discount Store N/A Available	yr options N/A Listing	N/A Negotiable
9	Speedway Leases Location	(2019) (listing)	(listing)	\$1,200,000	8.50%	30,360	\$39.53	N/A Available	N/A Listing	Negotiable
No	Location	Tenant/Use	Date	Rate/Yr	Ro	Sf Site	Lease \$/SF	Improvements	Term	Indexing
1	3841 3845 N Highway Drive	N/A Yard	Jan-15	\$24,000	N/A	75,000	\$0.32	N/A	3 years	4% per year
2	1795 W Ajo, SWC Mission	McDonalds Fast Food	Oct-12	\$77,000	5%-6%	29,480	\$2.61	N/A	20 yrs, 4-5 yr options	10% every 5 yrs
3	4105 N Oracle 2475 W Placita Desierto	Einstein Bros Fast Food	Oct-12	\$66,000	6%-7%	25,500	\$2.59	N/A	15 yrs, 4-5 yr options	15% every 5 years
4	Morado 7000 E	Arizona Pipeline	Feb-19	\$24,000	8.62%	92,783	\$0.26	CL Fenced	3 years 10 yrs w	2% 10% every
5	Speedway NEC 22nd / I- 10	Pizza Hut N/A Yard	Mar-19 Apr-00	\$14,999 \$141,930	7.50% 9.00%	14,047 143,748	\$1.07 \$0.99	Paved N/A	options 53yrs, 6-5yr options	5 yrs Ann CPI or 2.5%
6	NEC 22nd / I- 10	N/A Yard	Current (listing*)	\$112,000	8.00%	113,692	\$0.99	N/A	36yrs, 6-5yr options	Ann CPI or 2.5%
7	* reconciled									

STATEMENT AND CERTIFICATION OF APPRAISER

I certify that, to the best of my knowledge and belief:

the statements of fact contained in this report are true and correct.

the reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions and are my personal, impartial, and unbiased professional analyses, opinions, and conclusions

I have no present or prospective interest in the property that is the subject of this report and no personal interest with respect to the parties involved.

I have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment.

my engagement in this assignment was not contingent upon developing or reporting predetermined results.

my compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.

The reported analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the requirements of the Code of Professional Ethics & Standards of Professional Appraisal Practice of the Appraisal Institute. (C.S.R.1-1)

My analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the *Uniform Standards of Professional Appraisal Practice*.

My analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the *Uniform Standards of Professional Appraisal Practice*.

I have made a physical inspection of the property appraised and the property owner designated representative, was given the opportunity to accompany me on the property inspection.

No one provided significant professional appraisal assistance to the person signing this report.

The use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives.(C.S.R.1-2).

As of the date of this report, I have completed the continuing education program of the Appraisal Institute (C.S.R.1-3).

I have performed no services regarding the subject property within the prior 3 years as an appraiser or in any other capacity.

I am competent to complete the appraisal.

If this report is in any way disassembled, reproduced, altered, or used in any other capacity than that made known to the appraiser at the time of the request and stated herein, the appraiser is not responsible for this report and it is invalid.

PAUL HENDRICKS REAL ESTATE APPRAISAL & COUNSELING



Paul D. Hendricks, MAI

Arizona Certified General Real Estate Appraiser 30197

PAUL HENDRICKS REAL ESTATE APPRAISAL & COUNSELING

APPENDIX

1. Appraisal Assumptions and Limiting Conditions
2. Subject Exhibits and Photos
3. Consultant Qualifications

LIMITING CONDITIONS AND ASSUMPTIONS

of Standard Real Estate Appraisal

(Consisting of the 23 Items Below and Others as Mentioned)

1. Information Used, Trade Secrets

The appraiser(s) shall not be responsible for the accuracy of any information obtained from the client or any other source and used in the appraisal, subject to the due diligence provision of the Uniform Standards of Professional Appraisal Practice. The appraiser(s) shall not be liable for any information or work obtained from any subcontractor. It is strongly suggested that the client consider independent verification of all factual data as a prerequisite to any transaction involving the purchase, sale, lease, or other decision involving a significant commitment of funds affecting the subject property. The client agrees that the appraisal produced pursuant to this agreement consists of "trade secrets and commercial or financial information" which is privileged and confidential and exempted from disclosure under 5 U.S.C. 552(b)(4) and furthermore agrees to obtain the appraiser(s) authorization before reproducing the appraisal in whole or in part.

2. Authentic Copies, Changes, Modifications

The authentic copies of this report were delivered to the client; copies not coming from the client may have been altered. The appraiser(s) reserve the right, at their sole discretion, and at any time, to alter statements, analysis, conclusions or any value estimate(s) in the appraisal if facts pertinent to the appraisal process and report which were unknown at the time of completion become known to the appraiser(s).

3. Use of Appraisal, Limit of Liability

This report is intended solely and exclusively for use by the client. The sole purpose of the report is to assist the client by valuation of the subject property. The client also acknowledges and agrees that some of those involved with the assignment appraisal may be independent contractors and the client hereby agrees not to hold the appraiser(s) liable for any acts of same. Notwithstanding anything herein to the contrary, the client will forever indemnify and hold appraiser(s) harmless from any claims by third parties related in any way to this appraisal.

The liability of the appraiser and affiliated business entities, its officers, directors, shareholders or employees (hereinafter collectively referred to as appraiser) is limited to the herein named client only. No liability shall extend to any third party, and the total amount of such liability shall in no event exceed the amount of the fee actually received by the appraiser(s).

Third parties shall include, but not be limited to, general and limited partners of the client if said client is a partnership, stock holders of the client if said client is a corporation, and all lenders, tenants, past owners, successors, assigns, offerees, transferees and spouses of client. The appraiser(s) shall not be held responsible for any costs incurred to investigate or correct any deficiencies of any type which may be present in the real estate and/or real property herein appraised. Acceptance and/or use of this report by the client constitutes acceptance of all limiting conditions and assumptions set forth herein.

4. Court Testimony

Testimony or attendance in court by reason of this appraisal, with reference to the property in question, shall not be required, unless arrangements have previously been made.

5. Copies, Publication, Distribution of the Report

Possession of any copy of this report shall not authorize or empower the client or any third party with any publication rights whatsoever, or with any authorization to use the appraisal other than for its intended and stated purpose noted in the agreement and/or in the report. The physical report(s) shall remain the property of the appraiser(s) at all times and appraiser(s) hereby grant the client permission to use the appraisal report(s) solely for the purposes set forth. The client agrees that the payment of the appraisal fee is in exchange for the analytical services of appraiser(s) and by the payment of said fee, the client

has not purchased the appraisal report. With the exception of public disclosure indicated below, neither all nor any part of this appraisal report shall be given, recited, published, copied, distributed, nor in any way communicated to third parties in any manner, in whole or in part, without the prior written consent of the appraiser(s).

This report has been prepared for Pima County and appraiser recognizes that the report will become public record after review and will be available for review by the public upon request.

6. Confidentiality

All conclusions and opinions concerning the analysis as set forth in this report were prepared by the appraiser(s) whose signature(s) appear on the appraisal report. No changes shall be made in the report by anyone other than the appraiser(s). The appraiser(s) shall not be held responsible for any unauthorized changes or such consequences as may transpire from unauthorized changes. The appraiser(s) may not divulge the material contents of the report to anyone other than the client or his designee as specified in writing, except as may be required by the professional association(s) of which the appraiser(s) are members as may be requested in confidence for ethics enforcement, or by a court of law, or any other body with the power of subpoena. The appraisal has been prepared for City of Tucson with the knowledge that the report will ultimately become public records and may be made available for public review.

7. Measurements, Exhibits

The sketches, maps and photographs in the appraisal report are include solely for the purpose of assisting the reader in visualizing the property and are not necessarily to scale. The appraiser(s) have made no survey of the property and site plans included in the report are not to be considered as surveys unless so designated. Any sketch or map in the appraisal report shows approximate dimensions and is included for general illustrative purposes only. It is the responsibility of a qualified engineer, architect, or registered land surveyor to show the exact location of the subject improvements thereon, existing or proposed, as well as the measurements and areas of land and improvements. In the absence of a survey, the appraiser(s) may have used Tax Assessor's maps or records or other maps provided by the client which may or may not represent the exact measurements of the subject property or other comparable data relied upon in estimating the market value of the subject property. Any variation in land or building areas from those considered in the appraisal may alter the estimates of value contained in the report.

8. Legal, Title, and Market Value Premise

The appraiser(s) have no responsibility for matters of any legal nature affecting the property being appraised or the title thereto; the appraiser(s) assume title to be good and marketable, and free of clouds unless otherwise noted. No Title Policy or report has been furnished to the appraiser(s), unless so stated in the report. The property is being appraised as though it were under financially sound and responsible ownership with typical and competent management. The hypothetical sale referred to in the definition of market value assumes adequate marketing efforts and exposure time normal for the property. The appraiser(s) are not responsible for the accuracy of legal description.

9. Engineering, Structural Matters; Hazardous or Toxic Materials, Physical Condition

The appraiser(s) have inspected the land and the improvements. However, it is not possible to observe conditions beneath the soil surface, or hidden structural, mechanical, or other components; the appraiser(s) shall not be hold responsible for any defects in the property related thereto. The property appraised is as though there are no hidden or unapparent conditions which would affect market value; this includes subsoil conditions, potential flood conditions, hydrological and/or structural conditions. The appraiser(s) are not responsible for such conditions or those engineering efforts which might be required to discover and/or correct such factors. The value estimate assumes there are no defective property conditions that would cause a loss of value. The land or the soil of the area being appraised is assumed to be firm and otherwise satisfactory for building use. Although soil subsidence and the influence of toxic material in the area of the subject and its environs is unknown, the appraiser(s) do not warrant against this condition or occurrence of problems from soil (or toxic atmospheric) conditions known or unknown.

Unless otherwise stated in the report, the existence of hazardous material, substance or gas, which may or may not be present within, on or near the property, has been disregarded in the appraisal. The appraiser(s) are not qualified to detect such substances as asbestos, urea-formaldehyde foam insulation, radon gas, or other potentially hazardous material and/or substances which may adversely affect the value of the property. The value estimate is predicated on the assumption that there is no such toxic material and/or condition affecting the property that would cause a loss in value. The appraiser(s) are

not responsible for any such condition and/or the engineering expertise required to discover any such condition. The client is urged to retain an expert in this field, if so desired. All mechanical components are assumed to be in operable condition and status standard for properties of the subject type. Conditions of heating, cooling, ventilating, electrical and plumbing equipment are assumed to be in good working order unless otherwise stated. Appraiser(s) are not responsible for the adequacy or type of insulation, or energy efficiency of the improvements or equipment, which are assumed to be standard for the subject property type. Unless otherwise stated, the appraiser(s) have not been supplied with a termite inspection report or occupancy permit. The appraiser(s) shall not be held responsible for, nor shall the appraiser(s) be deemed to have made any representations regarding any potential costs associated with obtaining same or for past or present, legal or physical, deficiencies which may be found. Client further agrees that the appraiser(s) shall not be held responsible for any costs incurred or consequences arising from the need, or the lack of need, for flood hazard insurance.

10. Utilities

In the absence of a qualified professional engineer's study, information regarding the existence of utilities is made from a visual inspection of the site and review of available public information. The appraiser(s) have no responsibility for the actual availability of utilities, their capacity, or any other problem which might result from a condition involving utilities. Although public utility lines might be located adjacent to the subject property, the capacity of these lines for any proposed development is not known. The respective companies, governmental agencies or entities should be contacted directly by concerned individuals. Unless otherwise stated in the report, utilities of all types are considered in the appraisal to be present in adequate quality and quantity for the intended use or highest and best use of the property.

11. Legality of Use, Management of Property

The appraisal is based, unless otherwise stated, on there being full compliance with all applicable federal, state and local environmental regulations and laws, that all applicable zoning, building, use regulations and restrictions of all types have been complied with and, moreover, it is assumed that all required licenses, consents, permits, or other legislative or administrative authority, local, state, federal and/or private entity or organization have been or can be obtained or renewed for any use considered in the value estimate. The appraisal is prepared under the assumption that the property which is the subject of this report is maintained and managed pursuant to prudent and competent ownership and management.

12. Component Values, Special Studies

The distribution of the total valuation in this report between land and improvements applies only under the existing program of use. The separate valuations for land and building must not be used separately and are invalid if so used. No environmental or impact studies, special market study or analysis, highest and best use analysis study or feasibility study has been requested or made unless otherwise specified in an agreement for services or within the report.

13. Inclusions.

Furnishings, equipment, personal property or business operations which may sometimes be considered a part of the real estate, have been disregarded, unless otherwise specified and only the real estate is considered in the value estimate. In some limited circumstances, business and real estate interests and values may be combined depending on the specific situation and as determined by a written agreement. Please see the appraisal report for further clarification.

14. Proposed Improvements, Conditional Value

Any improvements proposed, on- or off-site, as well as any repairs required, will be assumed, for purposes of this appraisal, to be completed in a good and workmanlike manner according to information submitted by the client for consideration by the appraiser(s). In cases of proposed construction, the appraisal is subject to change upon inspection of the property by the appraiser after construction is completed. The estimate of market value is as of the date shown, as proposed, and as if completed and operating at the levels shown and projected or as otherwise indicated and labeled in the appraisal report.

15. Value Change, Dynamic Market, Influences on Market Value, Alteration of Estimate and/or Analysis Herein By Appraiser

The estimated market value, as defined in the report, is subject to change with market fluctuations over time; value is highly related to exposure, time, promotional effort, terms, motivation, and personal and general economic and supply/demand conditions surrounding the offering. The value estimate considers

the productivity and relative attractiveness of the property both physically and economically in the marketplace.

The market value estimated, and the costs used, are as of the date of the estimate of value. All dollar amounts are based on the purchasing power and price of the dollar as of the date of the value estimate. The client hereby agrees that the appraisal report and value estimate are subject to change if the physical or legal entity or the financial arrangements are different than that envisioned in this report or upon change in, or discovery of, certain influencing market conditions or property conditions as well.

In cases of appraisals involving the capitalization of income benefits, the estimate of market value or investment value or value in use, the client hereby acknowledges and agrees that such estimates are intended to be a reflection of benefits which the appraiser(s) have been directed to assume as given, as well as from the appraiser's interpretation of income and yields and other factors derived from general and specific client and market information. Such estimates are as of the date of the estimate of value; they are thus subject to change as the market and value is naturally dynamic. The client agrees that these types of appraisals are based on reasonable estimates and as such, will not hold appraiser(s) responsible for any errors in the estimated values. The "Estimate of Market Value" in the appraisal report is not based in whole or in part upon the race, color or national origin of the present or previous owners nor upon the occupants of the properties in the vicinity of the property which is the subject of the appraisal.

16. After-Tax Analysis, Investment Analysis, and/or Valuation

Any "after" tax income or investment analysis and resultant measures of return on investment are intended to reflect only possible and general market considerations, whether as part of estimating value or estimating possible returns on investment at an assumed value or price paid; the client acknowledges and agrees that the appraiser(s) do not claim any expertise in tax matters and moreover will not rely on any information prepared by appraiser(s) which in any way relates to income tax matters.

17. Information furnished by Client and Third Parties

Any and all information furnished by the client and/or third parties is logically presumed to not only be correct but complete, either in entirety or summarized as presented, and if there are no other documents modifying the one or ones mentioned herein.

18. Federal Law OMB Circular A-129 & Bulletins 91-05 and 92-06 Amending Circular A-129

These require USPAP standards and practices be used under State certification and license programs under Title XI of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989 (FIRREA) (P.L. 101-73) and OMB Bulletin 92-06 applies these USPAP to the 17 affected Federal eminent-domain agencies subject to the regulations of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (Uniform Act), as amended by regulations in 49 CFR Part 24. Agencies not subject to the Uniform Act should follow the revised 49 CFR Part 24 to conform to OMB Bulletin 92-06.

19. Americans With Disabilities Act (ADA)

This act became effective January 26, 1992. The appraiser(s) have not made a specific compliance survey and analysis of this property to determine whether or not it is in conformity with the various detailed requirements of the ADA. It is possible that a compliance survey of the property, together with a detailed analysis of the requirements of the ADA could reveal that the property is not in compliance with one or more of the requirements of the Act. If so, this fact could have a negative effect upon the value of the property. As the appraiser(s) have no direct evidence relating to this issue, possible or direct noncompliance with the requirements of ADA in estimating the value of the property was not considered.

20. Environmental

It is assumed that there are no protected species of plants or animals in, on, or near the subject property other than any described in the report.

It is assumed that the site is not a cactus ferruginous pygmy owl habitat (defined by US Fish & Wildlife as: Land below 4000 feet in elevation that has saguaro greater than 8 feet tall or containing a woodpecker cavity) ironwood, mesquite, or paloverde vegetation (must be >6 inches in diameter). (note as of May 2006 the pygmy owl has been de-listed as an endangered species; however, there is ongoing litigation seeking to overturn this de-listing).

21. Report Type

This is a Report which is intended to comply with the reporting requirements set forth under Standard Rule 2-2(a) of the Uniform Standards of Professional Appraisal Practice. Supporting documentation concerning the data, reasoning, and analysis is retained in the appraiser's file. The information contained in this report is specific to the needs of the client and for the intended use stated in this report. The appraiser is not responsible for unauthorized use of this report.

22. Other Information for Readers

We recommend that if sewer or septic connection, or condition of same, is of concern to client or other readers of this report, a qualified expert should be hired to inspect the system and perform appropriate tests as he/she deems necessary. Further, if water source, status, possible toxic influences on air, water, soil, or improvement construction material or condition of mechanical, structural or other systems or components are of concern, an appropriate expert should be engaged as we are not experts in such matters. The reader is cautioned that value is dynamic and changes with changing market conditions over time. Subsequent sales, listings, and other market influencing activity may influence value after the date of the value estimate. The value estimate is an estimate, not a determined fact.

23. Conclusion

Acceptance of and/or use of this appraisal report by the client or any third party reader or user, constitutes acceptance of the above stated conditions as well as any other(s) stated in this report. The acceptance of this appraisal report also constitutes acceptance of responsibility for payment of the appraisal fee balance due and any costs incurred by the appraiser(s) in collection of same. Appraiser liability extends only to stated client, not subsequent parties or users; any additional appraiser liability is limited to the actual amount of fee received by said appraiser(s).

These Limiting Conditions and Assumptions are in conjunction with any form type page(s) of similar nature in the appraisal report package; further, the reader is advised that certain comments in the report may point out other specific assumptions and/or limiting conditions pertaining to this appraisal even though an attempt has been made to summarize all limiting conditions and assumptions herein; the client or designated user of the appraisal report should inspect the property and confirm factual information before a final decision is made concerning the subject.

--- end ---

SUBJECT PHOTOS & EXHIBITS

Site View Looking Northwest



Ingress/Egress Easement Road Leading to The Loop parking



Paradise Falls Looking West towards Alvernon Way



Paradise Falls Looking East into residential subdivision



Drainage Easement Area Looking South



Site View Looking South from The Loop Open Space



The Loop Parking Area Looking North Towards The Loop from site Northern Boundary



The Loop Looking West



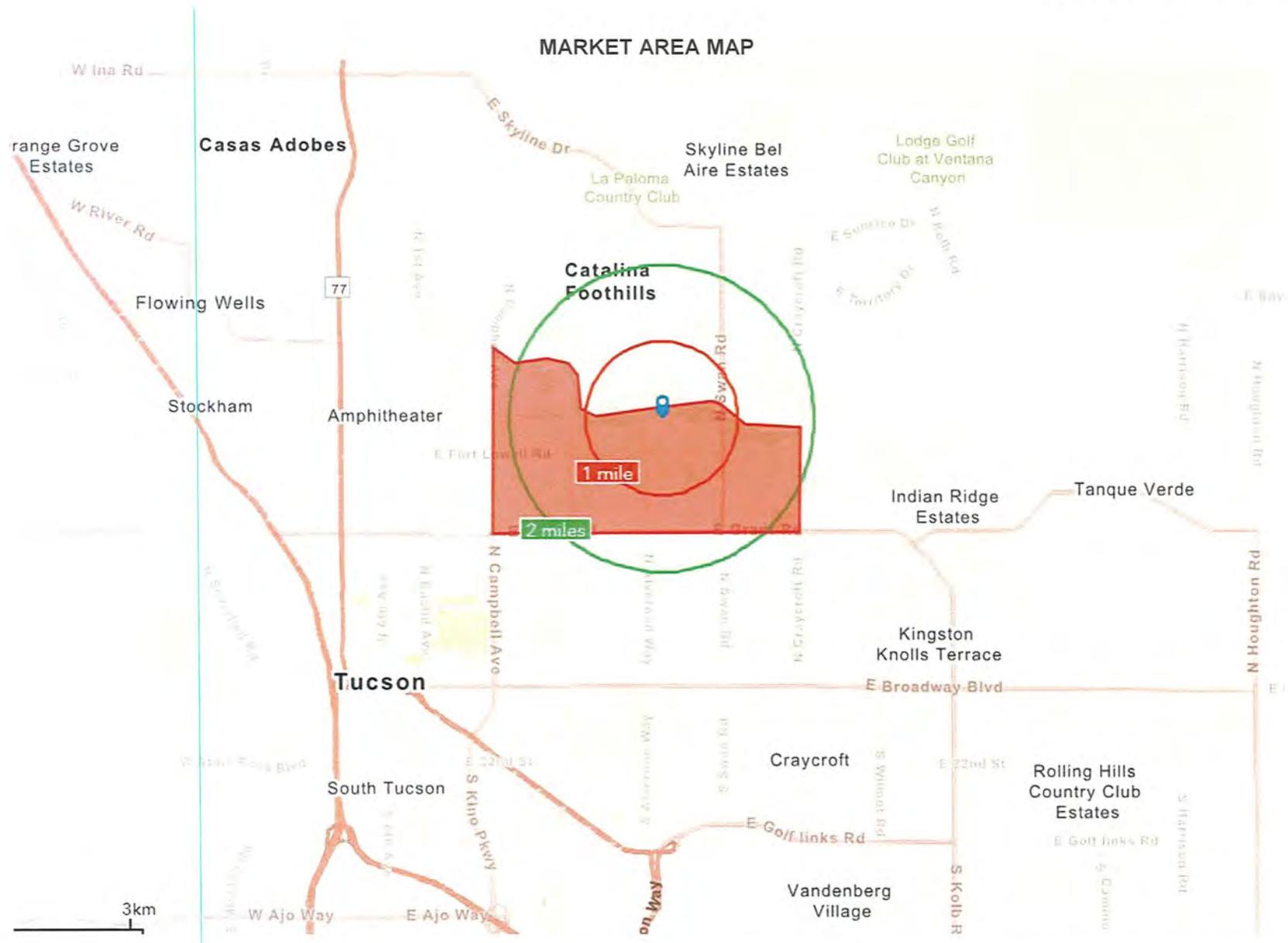
The Loop Looking East



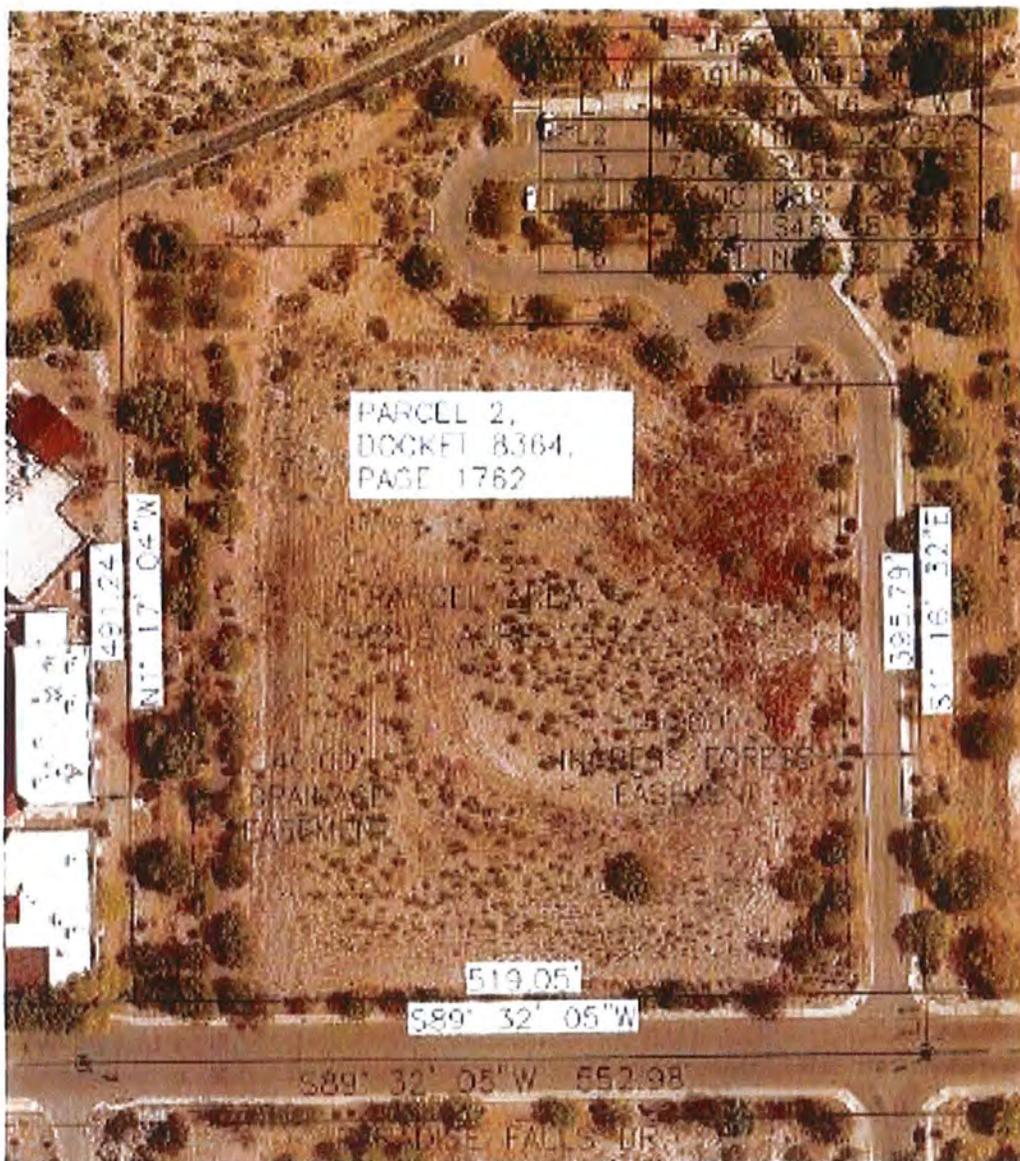
Loop Improvements (Ramada, Restroom, benches, etc.) North of Site



MARKET AREA MAP



Property Exhibit, Legal Description



PIMA COUNTY SURVEY

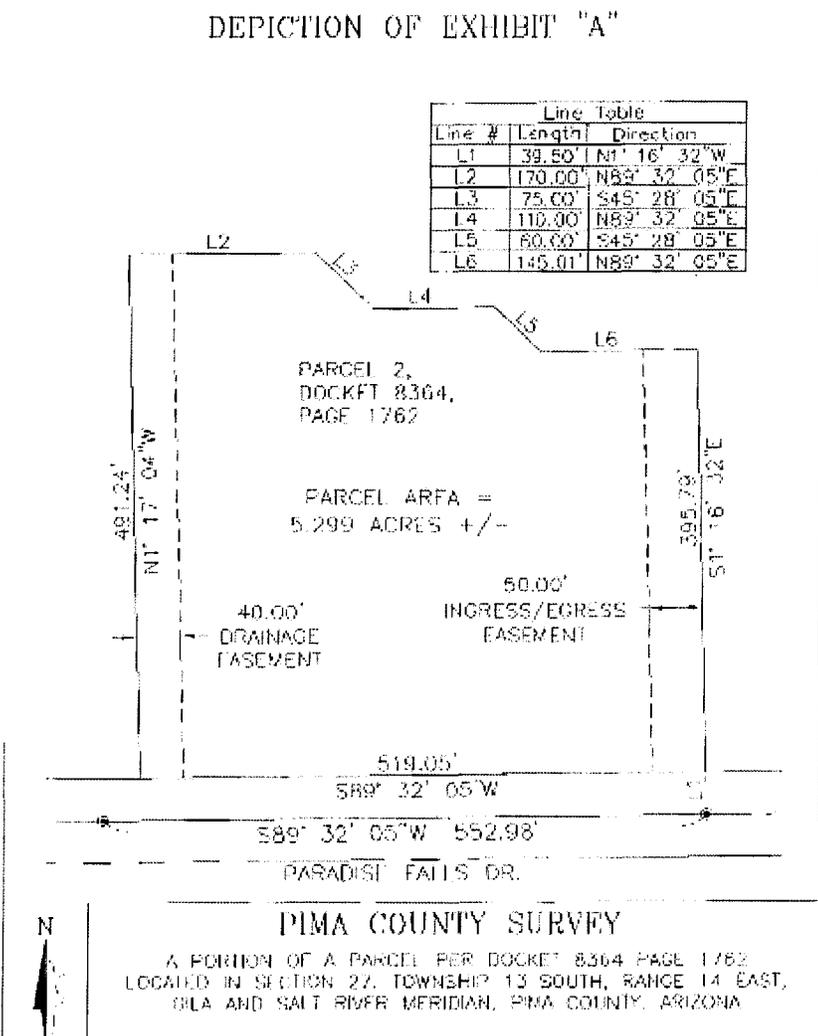
A PORTION OF A PARCEL PER DOCKET 8364 PAGE 1762
LOCATED IN SECTION 27, TOWNSHIP 15 SOUTH, RANGE 14 EAST,
G1A AND SALT RIVER MERIDIAN, PIMA COUNTY, ARIZONA

Scale: 1" = 100' Date: 30 November 2021 Drawn by: AJ Sheet 2 of 2

Property Owner:
 APN:
 Parcel Size:
 Legal Description Depiction:

Pima County RFCDD
 110-03-070B (portion of)
 5.299 acres

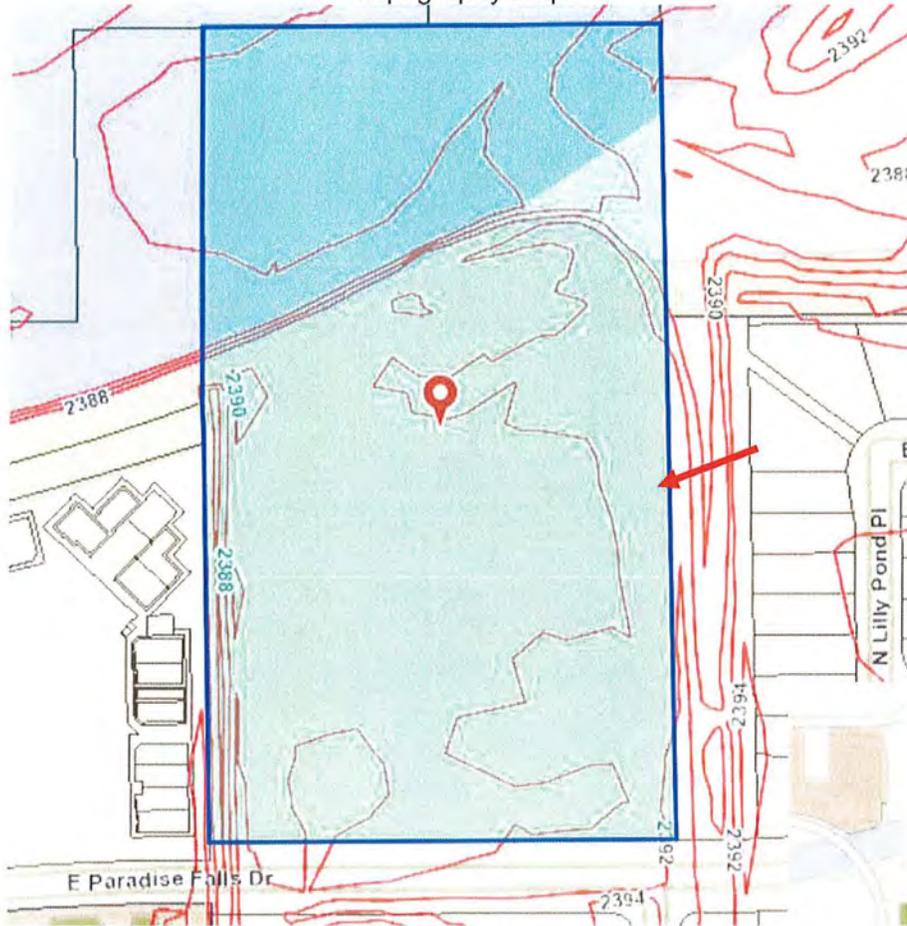
DEPICTION OF EXHIBIT "A"



Plat Map



Topography Map



Zoning Map



CONSULTANT'S QUALIFICATIONS
PAUL D. HENDRICKS, MAI
4708 E. Scarlett, Tucson, AZ 85711
Voice & Fax (520) 325-6512
Email: PaulHendricksMAI@gmail.com
www.TucsonAzAppraisal.com

EDUCATION

Academic

Bachelor of Science in Business Administration, University of Arizona; Real Estate and Finance Major.

Valuation

Appraisal Courses and Examinations:

- Standards of Professional Practice; A, B
- Standards of Professional Practice, C
- Investment Analysis
- Highest and Best Use, and Market Analysis
- Valuation Analysis and Report Writing
- Case Studies in Real Estate Valuation
- Income Approach to Value and Capitalization
- Basic Principles, Methods 1A

Appraisal Seminars

- Appraisal Business Management
- Critical Building Inspections
- Fair Lending and the Appraiser
- Residential Real Estate Econometrics
- Commercial Appraisal; Lender Requirements

- Americans with Disabilities Act
- Due Diligence/Environmental Checklist
- Residential Appraisal Techniques
- FEMA Flood Hazard
- Arizona Appraisal Law
- Construction and Engineering Awareness
- Reviewing Appraisals
- Small Residential Income Property Appraisal
- Hazardous Materials
- Litigation Valuation
- Appraiser as Expert Witness
- Partial Interest Valuation; Undivided
- Land Valuation Assignments
- Residential & Commercial Solar Valuation
- Uniform Standards Appraisal Federal Land Acquisitions

EXPERIENCE

November 1995 - Present:

Real Estate Appraiser/Consultant, Paul Hendricks Appraisal & Counseling, Tucson, Arizona

In November 1995, Mr. Hendricks again returned to his own firm which performs appraisal and consulting assignments primarily in Arizona; he also works as an independent contractor for other appraisal firms in the Tucson area. He continues to work as an independent contractor with Hendricks, Vella, Weber & Williams, a California corporation with assignments primarily in California.

1994-November 1995:

Senior Real Estate Analyst; The Dorchester Group, Scottsdale, Arizona.

In January 1994 Mr. Hendricks joined The Dorchester Group as a Senior Analyst. He has provided consulting and valuation services on several complex real estate issues and assignments for the firm which specialized in litigation support for its operations in Arizona and California.

1986-1993:

Real Estate Appraiser/Consultant, Paul Hendricks Appraisal & Counseling; Tucson, Arizona.

During this time Mr. Hendricks performed real estate appraisals and consulting for his own firm as well as working as an independent contractor primarily for Swango Appraisal. Appraisal assignments included a wide variety of property types including industrial and retail, special use, apartment, motel, subdivision and land as well as residential properties and commercial appraisal reviews.

1979-1986:

Senior Real Estate Analyst, Swango Appraisal & Consultation; Tucson, Arizona.

Mr. Hendricks primarily performed a wide variety of appraisal assignments for residential and commercial properties.

PROPERTIES

Property experience encompasses virtually all types, including apartments, retail centers, industrial, offices, motels, special use properties and commercial appraisal reviews. Clients include private, corporate, institutional, and governmental entities.

COMPUTERS

Mr. Hendricks' experience includes development of specialized spreadsheets dealing with anticipated income streams from tenant leases, analysis of various leasehold positions and Discounted Cash Flow analyses and projections.

PROFESSIONAL AFFILIATIONS

- Member Appraisal Institute, MAI (Membership No. 7811)
- Certified General Real Estate Appraiser, State of Arizona (30197)
- President, Appraisal Institute, Tucson Chapter (1997)
- Vice President, Appraisal Institute, Tucson Chapter (1996)
- Secretary, Appraisal Institute, Tucson Chapter (1995)
- Treasurer, Appraisal Institute, Tucson Chapter (1994)
- Board of Directors, Appraisal Institute, Tucson, Arizona (1991-1993)

GEOGRAPHIC WORK/MARKET EXPERIENCE

Mr. Hendricks has completed real estate assignments and has market familiarity in Arizona, California and Nevada.

EXPERT WITNESS EXPERIENCE

Mr. Hendricks will always sign appraisal reports and be responsible for analysis of the appraisal problem, primary and secondary data research, selection and confirmation of comparable properties, inspection and all analysis as well as defense of conclusions.

Mr. Hendricks has been qualified as an expert witness in Superior Court in Arizona and has given depositions and testimony experience in bankruptcy proceedings, condemnation, and other litigation. He has performed analysis for condemnor and condemnee parties.

SPECIAL PROJECTS

In Tucson, Mr. Hendricks worked as an independent fee appraiser for the City of Tucson and Pima County in the condemnation, acquisition and negotiation of several large road projects including Country Club, Alvernon and Speedway Boulevard, Golf Links, Wetmore Road and La Cholla as well as condemnation for the acquisition of Central Arizona Project pumping station sites.

In Phoenix, Mr. Hendricks is an independent fee appraiser for the City of Phoenix with experience in appraisal of a variety of commercial property types for the Central Phoenix/East Valley Light Rail Project.

Mr. Hendricks is under contract with Arizona Department of Transportation and has experience in appraisal of a variety of commercial property types.

At The Dorchester Group, Mr. Hendricks has assisted in the analysis of the impact of the Exxon Valdez Oil Spill in Prince William Sound, Alaska on certain real estate holdings and litigation support for the U.S. Justice Department in relation to acquisition of and subsequent development of Lake Pleasant. Consulting assignments have analyzed market rental and effects in value from site contamination and soil subsidence.

Exhibit C
Developer RFP Response

-document on following page-

ALIGN

REQUEST FOR PROPOSALS
FOR SALE OR LEASE AND DEVELOPMENT OF PIMA COUNTY OWNED PROPERTY

LOCATION
4051 EAST PARADISE FALLS DRIVE
TUCSON, AZ

ORIGINAL

12.17.2021 | SUBMITTED BY

 **INFINITE
CONCEPTS**

DEVELOPERS IN HOSPITALITY



MARK ERMAN
Partner | General Counsel
mark@INF.co

ERIC ERMAN
Partner
eric@INF.co

December 15, 2021

To Whom It May Concern:

Infinite Concepts, LP is an organization with a deep commitment to its community that takes a thoughtful approach to design as a science and an art. We are obsessive, compassionate dreamers who think infinitely, build up relationships, and make things happen.

Our love is creating evocative social spaces. It is a human-centered method with inspiration derived from years of experience empathizing with our guests. It is this passion that has driven our recent restaurant and bar development that has activated the south end of the Fourth Avenue Entertainment District.

We now look to take our passion for developing social spaces to a larger scale, and we have assembled a Project Team with the experience and expertise that will make this happen. We are ready to partner with Pima County to activate the core of the Chuck Huckelberry Loop with a world-class development.

Stewardship of a natural resource is a serious matter. With this proposal we have provided a project vision that focuses on the ample natural beauty and resources of the site and surrounding views through a design that is all at once reflective, playful, and mindful, especially of the Loop users that this will benefit.

Our vision is inside. We welcome you in.

Sincerely,

Mark & Eric Erman
Partners, Infinite Concepts, LP

Proposer's Contracting Entity

(Legal Name): INFINITE CONCEPTS, LP

Description of Proposer's Development Team

(Key Individuals, Companies and Organizational Structure):

Developer: Infinite Concepts, LP (Mark Erman, Partner, General Counsel; Eric Erman, Partner). Construction and Engineering: Sundt Construction, Inc (Dave Ollanik, Project Director; Ian McDowell, VP & Tucson Region Director). Design Lead: HelenHanCreative, LLC (Helen Han, Partner; Jaron Lubin, Design Collaborator). Architect of Record: BWS Architects (Robin Shambach, Principal; Frank Slingerland, Principal). Landscape Architect: STUDIO O.G. (Akiko Ono, Principal; Adam Greenspan, Design Collaborator).

Proposer's Authorized Representative:

Printed Name*: Mark Erman

Title: Partner, General Counsel, Infinite Concepts, LP

Business Mailing Address: 220 N. 4th Avenue Tucson, AZ 85705

Email: mark@INF.co

Telephone: (248) 705 - 1532

Signature: [Handwritten Signature]

*Proposal must be signed by an individual authorized to contractually bind the Proposer.

NOTARIZED

Signed and sworn before me this 13 day of December, 2021.

Notary Signature: [Handwritten Signature]

My Commission Expires: 08/11/2022



STATE OF ARIZONA

Department of State



FOREIGN LIMITED PARTNERSHIP CERTIFICATION

Issued on 10/20/2021.

I, Katie Hobbs, Secretary of State, do hereby certify that I have reviewed the application for registration of INF CONCEPTS, LP as a Foreign Limited Partnership under Section 29-349. The above named individuals propose to conduct business in the State of Arizona under this registered name. I have issued this certificate acknowledging this Foreign Limited Partnership.

JONATHAN ROTHSCHILD
259 N MEYER AVENUE
TUCSON AZ 85705-

10/4/2021 Application



Registration Date: 10/04/2021

Date First Used:

Foreign Limited Partnership No.: 3009264

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the Great Seal of the State of Arizona. Done at Phoenix, the capitol, this 20 day of October, 2021.

KATIE HOBBS

Proposer's Authorized Representative Contact Information

Rory Juneman, Attorney
Lazarus & Silvyn, P.C.
5983 E. Grant Rd. #290
Tucson, AZ 85712
(520) 274-3798
rjuneman@LSLawAZ.com

Describe the Contracting Entity that will be entering into the agreement with the county:

Infinite Concepts, LP is the development company and Contracting Entity for the Project. It is a Vermont partnership registered to conduct business in Arizona under the name INF Concepts, LP.

It's partners, Mark and Eric Erman are experienced food and beverage operators with their award-winning Fourth Avenue establishments, Ermanos Bar and Portal. They have a passion for creating enhanced social environments and collaborating with community, particularly in the design, construction, and operation of hospitality spaces. They have been developing this concept for several years, studying what is needed in hospitality. Their inspiration derives from years of experience building deep empathy with their guests, the people they design for. In Japan, the idea of "omotenashi" is to provide genuine hospitality from the host's heart. This kind of care involves attention to detail and anticipating others' needs. The Ermans strive to embody these ideals in their hospitality concepts. They also draw from their love of the outdoors and the quality of time spent with friends and family in nature. A more detailed bio of the Erman brothers is on their website: INF.co.

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Appendix (Resumes, Project Samples)



Trails amongst bermed landscapes with native planting

1. EXECUTIVE SUMMARY

The primary aspiration of ALIGN is to make a publicly accessible retreat-like environment that elicits feelings like peak joy, amazement, gratitude, and connection. To facilitate this, the team took a play-centered approach which re-imagines the site as a one-of-a-kind destination for Tucson residents and visitors alike—a gateway to the Chuck Huckelberry Loop and adjacent nature reserve areas.

Rather than building a traditional residential, mixed-use retail or office center, the team has nestled various community-centric attractions within a park landscape of native plants, extending and connecting to natural areas to the north and east. The unique architectural-landscape design is befitting to this very important site along the Rillito.

The 40,800 sq-ft of amenities will be integrated into a generous landscape park featuring programming that celebrates the blur between interior and outdoor spaces. This will be a special and meditative place for gathering with friends, family, and colleagues, celebrating with one another in a naturalistic environment. A combination of landscape features and flexible infrastructure will facilitate great diversity in usage. Loop-complementary retail amenities such as food & beverage, yoga, bike shop, and general store exist in an ecosystem of multi-use pavilions, office/live-work space, and overnight lodging for the lucky few to enjoy, with myriad possibilities for group/corporate events and celebrations.

The site has two fronts: the roadside entry at East Paradise Falls and, more importantly, the Loop to the north. In many ways, this is the front door. Visitors approach from the north on the Loop and enter directly onto terraced platforms that invite them to ALIGN. The Project will be a perfect stop on a bicycle ride, trail run, or a home base for the day's adventure. Amenities such as outdoor showers, lockers, vending, and grab 'n go nourishment will be provided so that guests have everything needed to enjoy an active day on the Loop, recharge, and rendez-vous whether lounging with friends or meeting for business.

The project is a low-rise development, sensitive to the adjacent massing and neighborhood, rising to a maximum height of 45 feet above grade with 360° viewing platforms of the mountains and adjacent natural landscape areas. Visitor parking areas are located on the east and west edges of the site.

In our modern, technological, busy-focused existence, it is challenging to create time and situations conducive to feelings of child-like joy, where our analytical mind takes a breather. So, we designed a low-tech social environment to ease us into a restorative flow state, which, along with time spent in nature, is linked to our contentment as a species.

TEAM QUALIFICATIONS

The project team is made up of internationally-acclaimed designers partnered together with well-recognized Tucson-based architects, engineers and builders experienced with Pima County project delivery. Developer Infinite Concepts has assembled a forum of community representatives and creatives who are passionate about Tucson to round out the team.

The core team is composed of developer Infinite Concepts, design team Helen Han and Jaron Lubin, architect of record BWS Architects, land use attorney Rory Juneman, and Sundt Construction project director, David Ollanik. The team's background and qualifications are provided on the following pages.

PROJECT TEAM ORGANIZATIONAL CHART



LAND USE Lazarus & Silvyn Rory Juneman, Esq.	FINANCE J.P. Morgan Chase Bank, N.A. Tina Dorsey, Vice President	ECONOMIC + REAL ESTATE Cushman & Wakefield / PICOR Rob Tomlinson, Principal
CORPORATE Mesch Clark Rothschild Jonathan Rothschild, Esq.	National Bank of Arizona Cody McGuire, Vice President	Bright Properties Phil Lipman, President
HOSPITALITY Oliver Hospitality Ethan Orley, Managing Partner	Business Development Financing Center	Applied Economics, LLC Sarah Murley, Principal
	Tucson Industrial Development Authority	Visit Tucson

CLIENT DEVELOPER



DETROIT BRED | TUCSON GROWN

From sibling rivals to business partners, the Erman brothers' path to this point has been unscripted. They are the sons and grandsons of tinkers, enthusiasts, and merchants. Their father inherited the workshop of his father who owned a furniture business in Detroit called Erman's Bedroom Center, and their great-grandparents emigrated from Eastern Europe to the U.S. in the early 1900s in search of better lives.

Mark, 42, majored in geology at the University of Michigan, then working as a geologist at Bureau Veritas, a global environmental consulting firm. He returned to school at Wayne State University Law School, graduating cum laude in 2007, and began work as an environmental attorney at Troutman Pepper. During this time, Mark and Eric homebrewed beer and thought about starting a venture. After visiting Tucson and seeing the mountains, stars and community, Mark moved here with his family in 2011.

The brothers opened Ermanos in 2015. Mark serves as general counsel for the enterprise, charting direction, drafting plans, securing financing and permits, and handling construction oversight. He enjoys outdoor exploration, rocks, philosophy, and time for reflection.

Eric, 36, majored in psychology at the University of Michigan and followed his passion for beer and alchemy into the commercial brewing industry, honing his craft as a brewer in Detroit, Denver, Boulder, and Portland before moving to Tucson to launch Ermanos. With his mechanical and technical foundation, Eric continues to be driven as a life-long learner in pursuit of new skills and wisdom as director of operations and marketing, among other roles. He is equanimous, energetic, and leads nearly 50 employees with warmth, integrity, and humor. Eric enjoys chess, photography, music, and nature.

For several years, the Erman brothers have been developing a vision for a new hospitality concept and searching for a suitable location while continuing to build experience. The Portal Cocktails space with its heavy dose of design was a successful lean experiment, proving up the benefits of enhanced social environments for our well being. Ermanos received an AIA Arizona award for interior design, and Portal was nominated for best concept and lighting in the Americas region by the international Restaurant & Bar Design Awards. In 2020 after Portal was built, Mark reconnected with high school friend Jaron Lubin, who introduced the brothers to his wife and creative partner, Helen Han. With unity of purpose, the group has built a team with global capabilities and local roots that is committed to a multi-year collaborative effort.

The brothers operate a creative-led organization. They love this community and have been reflecting on what is needed, diving deeper into a realm where hospitality intersects meaningful built environments. Through their efforts since 2015, it is evident that Tucson believes in them. They are resourced and ready for the undertaking ahead—exuberant to create a precedent in Tucson that benefits the community with this opportunity breathing life into their aspirations.

ARCHITECTURE + DESIGN

DESIGN TEAM



Helen Han, AIAS
Principal / Project Manager
HelenHanCreative, LLC
Brooklyn, NY

Helen is Principal of Helen Han Creative, a multifaceted design firm based in Brooklyn, New York. Her work focuses on the experiential dimension of architecture and the articulation and unfolding of narratives through various modes of representation. Previous to the formation of HelenHanCreative in 2018, she was a designer at the avant-garde and award-winning firm, Mack Scogin Merrill Elam Architects for nearly 16 years - with whom she continues to collaborate on specialty projects. She has worked with a diverse set of clients including architecture, urban design and landscape architecture firms such as SOM, AECOM, Morphosis, Weiss/Manfredi, Safdie Architects, and Reed Hilderbrand. Along with her practice, she is also a committed educator; co-teaching an architecture studio course with Mack Scogin at the Harvard Graduate School of Design for the past 12 years. She will serve as the Design Lead and Project Manager.



Jaron Lubin, AIAS
Advisor to HelenHanCreative, LLC
Partner Safdie Architects
Somerville, MA

Jaron is a Design Partner at the internationally acclaimed Architecture and Urban Design Practice Safdie Architects, based in Somerville, Massachusetts. Jaron's passion for complex geometry and progressive methodologies is evident in the large, three-dimensional, urban projects Safdie Architects delivers globally. With over 20 years of experience, Lubin plays a critical role in the research, fellowship, teaching and architectural exploration of the firm.

Jaron's building designs have been recognized with two Singapore President's Design Awards among many other accolades. A graduate of the University of Michigan and distinguished Alumni of UCLA, he is a frequent writer, juror and lecturer, traveling internationally to share the work of the firm.

Jaron serves as a supporting design advisor to the project together with his partner Helen Han.

ARCHITECT OF RECORD



Robin Shambach, AIA LEED AP
Principal / Project Manager
BWS Architects Tucson, AZ

With over 36 years of professional practice in Arizona, Robin provides firm leadership and project management. She has strong communication skills and experience working on complex projects. She has developed a reputation for complete, caring attention to her work, from planning through to construction completion. Robin was the Project Manager for LEED Gold UA Bio Science Research Laboratory building, and the El Rio Cherrybell Health Clinic + Medical School. She has managed the majority of our LEED Certified projects, and is currently on the UA Grand Challenges Research building and has recent experience working with Pima County. She will play a crucial role, operating as local support with a focus on local agency and consultant coordination, quality control and contractual point of contact as Architect of Record.



Frank Slingerland, AIA,
NCARB LEED AP
Principal / Designer
BWS Architects, Tucson, AZ

Frank has nearly 32 years of design experience. He will lead the design process by gathering facts, understanding needs and working with the County/OME representatives to establish goals before generating alternative concepts. Always fun to work with, Frank approaches every project with rigorous curiosity and a warm sense of humor. Frank has led design teams on several significant Parking Structure projects, including the recently completed Gilbert Heritage District II Parking Structure. He has also led the design of all our recent work with El Rio Community Health, the large-scale ASU Bateman Science Complex, our Pima County projects, and has extensive experience on the Kino Medical Campus. His role will be in providing design development support and input on local influences and opportunities.



Holly Damerell, AIA LEED AP
SR Project Architect
BWS Architects, Tucson, AZ

Holly has over 25 years of experience and has been with BWS Architects for the last seventeen. She is not only very knowledgeable about technical construction issues and how buildings go together, but she also has a strong sense of design and looks for opportunities to make every project as attractive as it is useful. She produces accurate, detailed documents quickly and is very effective in a team environment. Holly has experience with complex projects like UA Bio Science Research Laboratory Building, which was LEED Gold Certified and she has recent experience working with Pima County.

ARCHITECTURE + DESIGN

LANDSCAPE DESIGN TEAM



Akiko Ono
Principal / Project Manager
Studio O.G., San Francisco, CA

Originally hailing from Japan with three masters degrees in Comparative Cultures, Architectural History and Landscape Architecture, Akiko comes from a unique background that combines both academic and professional pursuits. With over 20 years of experience working on international and local projects at scales both detailed and geographic, Akiko's goal is to approach landscape as a realm where the circle of life including biological, ecological, social and cultural cycles are embraced, from birth, to growth and even into decay. She has been leading various public and private projects, overseeing them from design concept through documentation and construction. Currently working as a design lead at SOG Landscape Architecture, a few of her notable public projects include DJ Sangh Temple, SFUSD Arts Center, Hamlin School San Francisco Community Music Center and Logan Apartments in Berkeley California.



Adam Greenspan
Principal / Project Manager
Studio O.G., San Francisco, CA

Adam is a design partner at PWP Landscape Architecture and has been collaborating with Akiko Ono at Studio OG for the last 20 years. Adam has been the lead designer on a wide range of projects including public parks, campuses and mixed use developments, his background in art and sociology combined with years of horticultural practice support an integrated approach to design that allows him to develop projects from many angles. Adam is from Southern California and has practiced horticulture and landscape design in the arid southwest since he was in high school. His focus in many projects is maximizing visitors' experience and the integration of regenerative processes and ecological function within landscapes that focus on the conservation and re-use of water. Adam has collaborated extensively with architects, artists, technical consultants, community groups and cities in the process of creating exceptional places.

CIVIL ENGINEERING



Chris Rod
Hydrologist and Engineer
J.E. Fuller, Tempe, AZ

Chris has over 27 years of experience as a hydrologist, engineer and project manager for analysis and design of projects throughout Arizona and the southwest United States, including projects in Utah, Nevada and Texas. Chris' clientele is quite broad, having worked for local and state agencies, Native American Communities, mining corporations, irrigation districts and private citizens.

For this project, Chris will serve as the project manager for JE Fuller, leading the design of the drainage infrastructure and site grading and design. Chris has extensive experience in working with both the Pima County Flood Control District, and the City of Tucson Engineering, both of which will be the key departments in the approval and permitting of the development.

STRUCTURAL ENGINEERING



Ronald H. Schneider P.E., S.E.
Principal
Schneider Structural Engineers
Tucson, AZ

Ron began Schneider Structural Engineers over 22 years ago. He has over 30 years of experience in structural engineering, utilizing steel and concrete, from design phase to construction. Ron is highly skilled in seismic designs and the selection of the appropriate framing system to provide a quality solution for a variety of projects ranging from complex structures such as design/build, advanced technology and industrial facilities to smaller scale projects. Many of the projects he has designed have required extensive 3D dynamic computer analysis. Ron is committed to provide a high degree of skill, coordination and quality control to all engineering and project documents and to work with other disciplines to make each project successful.

MECHANICAL ENGINEERING



Ken Cawthorne
Principal
KC Mechanical Engineering, LLC
Tucson, AZ

Ken takes an active role in all projects. He is responsible for designing energy efficient air conditioning systems that use heat recovery, evaporative cooling and natural ventilation to provide a comfortable working and learning environment. Ken is currently on the Tucson-Pima County Consolidated Code Committee and has, since 2006, served as a member of the Joint County/City Mechanical/Plumbing Code Committee.

ELECTRICAL ENGINEERING



Christian K. Monrad, P.E.,
LEED AP, FIES
Principal and Vice President
Monrad Engineering, Inc., Tucson AZ

Chris has over 39 years of experience in the design, construction, and specification of power, lighting, telecommunications distribution systems, and fire alarm systems. His award-winning interior and exterior lighting design application experience usually results in at least 30% and up to 80% better results than required by the International Energy Conservation Code and the City of Tucson Outdoor Lighting Code. These skills benefit his clients through perpetual utility savings, while still providing excellent classroom, living quarters, public space, and workplace environments.

CONSTRUCTION

GENERAL CONTRACTOR



David Ollanik
Project Director
Sundt Construction, Tucson, AZ

David has been in the construction industry for over 30 years with extensive fast-track experience. David's building expertise is exclusively in the Tucson market which positions him to provide excellent leadership and will help facilitate local participation while engaging the local community on numerous levels. He will ensure that all necessary resources are available to consistently exceed your expectations and to consistently support a collaborative mindset amongst all stakeholders in the process.



Ian McDowell
VP & Tucson Region Director
Sundt Construction, Tucson, AZ

Ian has been with Sundt for nearly 26 years and is a leader in the development of alternative delivery method, specifically with Design-Build projects. He will command the firm resources necessary to fully support the team and the project. As a known resource as a Design-Build expert, Ian brings the collaborative mindset to the project. He will ensure that all necessary resources are available and that project goals are met. As Vice President, Ian's main goal is to ensure we are exceeding client expectations.

ADVISING COUNSEL

LAND USE



Rory Juneman, Esq.
Attorney
Lazarus & Silbyn, P.C.
Tucson, AZ

Rory practices in the area of real estate, zoning, and land use planning, with a focus on sustainable developments. His practice includes compliance with local, state and federal land use regulations, including zoning and subdivision ordinances. He has extensive experience with land use entitlement processes and hearings, and negotiations with local jurisdictions, agencies and neighborhoods. He has represented clients before various jurisdictions' Boards of Adjustment, Planning Commissions, Design Review Committees and City Councils on a variety of development and variance approvals. He has negotiated development agreements, neighborhood/community benefits agreements, economic incentives, and impact fee credit agreements. He has worked with jurisdictions to draft zoning ordinances, and has helped draft Planned Area Developments. He also helps clients work through the development approval process, including obtaining zoning determinations and approvals.

ADVISING COUNSEL

CORPORATE



Jonathan Rothschild
Attorney
Mesch Clark Rothschild
Tucson, AZ

Jonathan's practice focuses on business law, employment law, and estate planning. His preventative maintenance strategy includes audits of policies, procedures, corporate structures, and contracts. He counsels clients on business structures, operating agreements, and buy-sell agreements, and he facilitates negotiations as needed. Looking out for a client's best interests involves coordinating a variety of services. To that end Jonathan, drawing on his long-standing relationship with the business community, takes the team approach of working with CPAs, insurance brokers, real estate brokers, and other professionals to ensure that a company's licenses, permits, leases, bonds, insurance policies, and accounting practices are sound and secure. He has been a member of the AZ Town Hall. He also served as Mayor of Tucson from 2011 to 2019.

HOSPITALITY



Ethan Orley
Co-Founder and COO
Oliver Hospitality, Nashville, TN

Ethan is an accomplished manager and entrepreneur having a unique perspective with 15+ years of real estate investing, development and operations. In 2011, Ethan co-founded Oliver Hospitality Management ("OHM") where he serves at the Managing Partner overseeing internal and 3rd party hospitality management. Oliver Hospitality oversees day-to-day management for several operating hospitality ventures, including Oliver Royale, SoBro Guest House, The Oliver Hotel, Fairlane Hotel and the Hotel Clermont. His roles and responsibilities have included: Fundraising, Investor Relations, Finance, Development, Creative Direction and Operations. Ethan has lead organizations to create some of the most successful projects in their respective markets. He is driven to succeed by reimagining the real estate and hospitality landscape.

FINANCE



Tina Dorsey
Vice President
J.P. Morgan Chase Bank, N.A.

Tina is the Senior Business Relationship Manager for Chase in Tucson, Arizona. She has over 13 years of experience working in the business community in Tucson. Her objectives are to help companies obtain financing through various credit facilities via both SBA and conventional financing, and to offer solutions to optimize cash flow with depository and treasury services. Tina aims to be a resource and trusted advisor to all of her clients. She has lived in Tucson for over 30 years and has a vested interest in the health and success of our local economy.

ADVISING COUNSEL

FINANCE



Cody McGuire
VP Commercial Real Estate
National Bank of Arizona, Tucson, AZ

Cody is a Commercial Real Estate Lender with 20+ years of banking experience. As Vice President with National Bank of Arizona's Real Estate Banking Group, he provides financing solutions for commercial real estate developers and investors. Since joining National Bank of Arizona in 2015, he has financed over 2MM SF. Prior to his present position he was with The Private Bank at Wells Fargo Wealth Management. Cody has a Master of Business Administration from University of Phoenix and earned his Certified Commercial Investment Member (CCIM) Designation in 2020. He is an active board member and past Chairman for Metropolitan Pima Alliance (MPA), Risk Management Association for Southern Arizona, and current President of Southern Arizona CCIM Chapter.

Tucson IDA improves the economy and quality of life for Tucsonans by providing community loans to small businesses and nonprofits, and bond financing for eligible projects. Tucson is a unique place, and Tucson IDA reflects that uniqueness with funding solutions that are as flexible and diverse as the needs of the community. Tucson IDA provides access to capital for economic and community development projects that strengthen the community, economically and socially. Its work supports the local culture and values.



Business Development Finance Corporation (BDFC) is a non-profit corporation dedicated to economic development by providing affordable financing for Arizona businesses. BDFC is one of Arizona's most experienced SBA lenders, and has tools and resources that simplify the SBA 504 loan process. BDFC has financed more than \$1 billion in projects from our offices in Tucson and Phoenix since 1979.

ECONOMIC + REAL ESTATE



Rob Tomlinson,
Principal Retail Properties
Cushman & Wakefield, Tucson, AZ

Rob has been an active commercial real estate broker since 1996. As a Retail Specialist, he is focused on the needs of landlords and tenants. A complete understanding of the purchase and leasing processes offers his clients the benefit of years of experience. Additionally, Rob has worked on a wide variety of commercial projects and has valuable insight on the dynamics of the site selection process. His experience in assemblages coupled with his education in Urban Geography, Site Analysis, and Land Use Planning has helped him to add value to challenging sites. Rob's participation on land use commissions and committees gives him a wealth of experience in public/private participation in the development process. As a CCIM Candidate and a member of the International Council of Shopping Centers (ICSC), Rob has made the extra effort to add value to transactions.



Phil Lipman
President
Bright Properties, Tucson, AZ

Phil started his real estate career answering phones at Le Vaux Realty in Cambridge, MA for \$5 an hour. One year later he was the top agent in a 10 agent office. Two years later he was #3 of 7000 agents at De Wolfe New England. This led to an active and cutting edge loft and condo development career in the Boston area. Bright Properties was founded in 2012 as a full service boutique brokerage and property management company. Our goal is to provide excellent service and advice and to treat our clients the way we would ourselves like to be treated, always putting our clients' interests first.



Sarah Muley
Principal
Applied Economics, LLC
Phoenix, AZ

Sarah is a Principal with Applied Economics. She is an economist with over 25 years of experience in regional economic analysis, particularly in economic development and public finance. Sarah is an experienced economic modeler, researcher and analyst. She has performed engagements for a wide range of public sector clients including city and county governments as well as economic development corporations, and utilities across the country. In her experience as an economic consultant, Sarah has applied her computer-based modeling experience to construct economic and fiscal impact models for cities, regional economic development organizations and utilities. These economic and fiscal impact models have been applied to a range of problems from evaluation of new and expanding companies, incentive evaluation, analysis of proposed developments and land use alternatives for future development. Sarah has also conducted numerous studies of business attraction targets, existing businesses and other types of development projects to evaluate their economic impacts for the host community and region.

ADVISING COUNSEL

ECONOMIC + REAL ESTATE



Lee McLaughlin
Vice President of Marketing
Visit Tucson, Tucson, AZ

Welcoming the world, while making Tucson a better place to visit, live, work and play.

Visit Tucson is a 501(c)6 nonprofit organization that works to attract leisure visitors, group meetings, sports events, travel media, and films, commercials, and photo shoots to the metro Tucson region. We are the official destination marketing organization for the City of Tucson, Pima County, and Town of Oro Valley and partner with more than 500 business members throughout the community. Overnight travel generated from these activities creates direct spending and tax revenue for our community. Taxes paid by travelers who visit metro Tucson offset our state and local taxes and help pay for public safety initiatives, new infrastructure, and community services. Because of visitor spending in 2019, every Pima County family had its tax burden reduced by \$530. Nearly 25,000 of our neighbors and their families are supported by work in the tourism industry in Pima County.

Provide at least two (2) similar examples of development properties (scale and type) that demonstrate the Proposer's capacity to deliver the Project as described in the Proposal

1. Ermanos Bar (2015), Portal Cocktails (2020), and Ermanos' outdoor dining pavilion (2021). Attorney Mark Erman effectuated a redevelopment for the Ermanos restaurant facility located at 220 N. Fourth Avenue and 215 N. Hoff Avenue. The 18,000 sq-ft historic 1920s-era Tophoy building required a building-wide Development Plan, lot combination, and a complex change-in-use through the City of Tucson's Board of Adjustment and Design Review Board because the project pre-dated the city's Infill Incentive District (IID) program. In order to create a higher intensity use for the tenant space which comprises about 17% of the building's area, Mr. Erman entitled the entire building, addressing grandfathered non-conforming features, which now allows greater flexibility of commercial uses and tenant diversity in the area.

In 2020 while the restaurant facility was shut down for most of the year due to the pandemic, Mr. Erman worked with the city to plan an easement for its outdoor dining pavilion. This involved a multi-department collaboration involving TDOT, Real Estate, Planning & Development Services, the Chief Building Official, and the Arizona Department of Liquor License & Control. The pavilion has been cited by the Mayor and press as one of the leading precedents for the city's budding Streatery/Shared Spaces program. The Ermans have garnered architectural and community awards for every project they have undertaken. This front-to-back development project extending from the Fourth Avenue right-of-way through the restaurant, Portal, and rear patio created a cascade of four unique experiences and reestablished the vibrancy of the southern end of the Avenue. It also demonstrates the Ermans' relentless pursuit to continue improving and reinvesting in their tenant space in sensible phases. With each phase, new financing partners and relationships were built. The Ermans are in good standing with each of these four lenders (listed above) as evinced by their willingness to join the Infinite Concepts' team. Photographs and additional details on Ermanos, Portal, and the outdoor dining pavilion are included in the Ermans' bio in the Appendix and on their website at INF.co/about.

2. Additional projects that demonstrate capacity to execute are provided above in the team's qualifications, including, but not limited to, projects which were entitled, developed, and constructed by team members Lazarus & Silvyn, Bright Properties, and Sundt. Examples of these projects include Union on 6th apartments, Ice House Lofts, Tucson Convention Center, and the Pima County Public Service Center. Lazarus & Silvyn has led entitlement efforts for numerous mixed-use projects over the last decades. In particular, Mr. Juneman obtained entitlements for the Union on 6th mixed-use residential project on Fourth Ave, which included negotiating a neighborhood agreement with key stakeholders. He also has led entitlements for most of the mixed-use student housing developments in the Main Gate Overlay. Approximately five years ago, Lazarus & Silvyn added planning services and since then has drafted numerous PADs/Specific Plans, including for the mixed-use redevelopment of Foothills Mall. The firm's experience and professionalism make it the ideal team partner to obtain successful entitlements for this unique Project.

Describe the Proposer's and Project team members' capacity and intent to proceed without delay if awarded the Agreement.

Infinite Concepts has been searching for a suitable parcel for its concept for years and is ready to dedicate the bulk of its time and resources to the Project. As an expansion of its existing hospitality operation on Fourth Avenue with the same ownership, in light of the Ermans' track record, all leaders on the team have expressed interest in financing the Project. The design, legal, and build/engineering team members are ready to move expeditiously upon award beginning with rezoning efforts, as shown in the Project Construction Schedule on pages 48-49. In addition to the developer's capable and experienced team, attorney Mark Erman in his capacity as General Counsel for the developer will coordinate efforts to ensure the Project proceeds without delay.

Describe how Pima County will be part of the Project Team.
Include an escalation ladder for timely decision making and to resolve concerns.

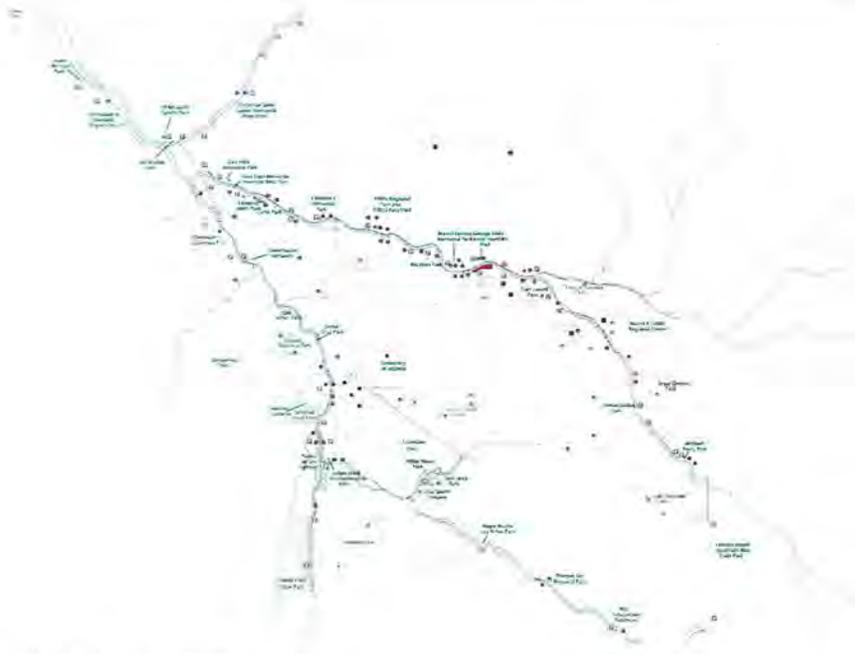
Pima County is an integral part of the Project team, not only as the neighboring property owner of the Loop and adjacent parcels but also as a key stakeholder with valuable inputs to the plan. The Project contemplates a park-like atmosphere with immense potential to anchor and enhance its segment of the Loop, including new connectivity to the natural riparian acreage to the east extending to Swan Road. There are exciting opportunities to collaborate with the County to fund improvements to these natural areas, despite being flood-prone, such as trails and natural features that honor the native landscape. The Property has drainage to the west and an access driveway to the east which the County is retaining. These potential shared use and management areas contain possibilities to work together to improve parking and access, signage, landscaping, and more. Given the paramount importance of the Loop to the community, the team looks forward to collaborating on the vision for the area with Pima County and its Department of Natural Resources, Parks and Recreation. In sum, we feel fortunate to have Pima County on the Project team.



The intention of ALIGN is to make an all-weather year-around restorative experience with a complementary mix of amenities, seating and lounging areas, nourishment, and activities particularly for users of the Loop. Critical to this goal is a design which provides ample vehicle and bicycle parking with heavy focus on the development's interface to its northern Loop entrance, including walkability and bikeability within the development itself.

The Project will be open to the public except for the office/live-work and overnight lodging spaces, which together comprise 10,000 sq-ft of the 40,800 sq-ft occupiable area. The remaining 30,800 sq-ft of retail space and 150,000 sq-ft of landscaped park environment will be publicly accessible. As with several of the County's park facilities, in order to protect and secure the Property, ALIGN would establish hours of operation. Although it is early to determine ALIGN's hours or the individual retailers' hours within, we expect that the development would be open approximately 8am - midnight, consistent with the developer's vision of facilitating all-day play, meet-ups, and relaxation.

Several studies and analyses support the team's vision. Pima County's April 21, 2020 Chuck Huckelberry Loop Trail Survey Report, recommends "incentivizing and promoting Loop-friendly development along the pathway system, such as restaurants, bars, cafés, special events, grocery stores, and food trucks, as a means to attract a wider range of users." Of those surveyed, parks are the most common destination accessed by Loop users with restaurants, bars, and cafés not far behind in the Survey responses. This data validates the unmet demand for Loop amenities which the Project would provide.



Mapping The Loop: existing access and focal points

In early design workshops with Infinite Concepts, the design team embarked on a detailed mapping of The Loop plotting public parks, community centers, commercial and cultural spaces that line its path. For large stretches, the Loop is largely disconnected from the context; adjacent to parking lots and adjacent lots with little formal or architectural connections. It was observed through site visits that many neighborhood cul-de-sacs and vacant parking lots that back up to The Loop become impromptu parking areas for those seeking to access The Loop.



The Project is also compatible with team member Visit Tucson's Metro Tucson 10-Year Tourism Master Plan (2019). The Plan speaks to Tucson's identity, attracting:

"Seekers and Explorers who come to explore and experience not only the deep physical beauty of the desert, but also its magic and clarity, serenity and spirit....Wellness will become a key part of the city's identity...Wellness today is an exploration of mind and body, and it's much more—it's also a celebration of life."

Visit Tucson's strategic areas of focus include promoting our physical and spiritual well-being, place-making, connectivity, culture, and delivering a quality experience for our visitors via large-scale projects. Their goal is to cement Tucson as the "Capital of Well-Being", the foundation of which was laid in the late 1800s and early 1900s when visitors would come to recuperate from tuberculosis, pulmonary and respiratory diseases. ALIGN would undoubtedly contribute substantial infrastructure, connectivity, sense of place, and wellness to Tucson, bolstering it as a center of wellness tourism and great place to live.

The State of Arizona's 2018 Statewide Comprehensive Outdoor Recreation Plan (SCORP) further supports the purpose of ALIGN. SCORP emphasizes a growing problem of younger generations and the adverse impact of technology and less time spent outdoors:

"Today's youth are spending less and less time outdoors in part due to technology and dependence on electronics. Although this lack of early exposure to nature can lead to reduced environmental ethics and outdoor recreation experience, technology is here to stay and opportunities to engage youth in outdoor activities need to integrate these two areas in order to grow the next generation of outdoor recreation enthusiasts."

The Project, with its multi-generational play-centered approach, has been designed to be enjoyed by all generations. However, the target age groups are Millennials (25-40), Gen X (41-56), and their children, Gen Z (9-24). These groups are critical to Tucson's growth and taking on its mantle as a top tier place to visit and live. Specifically, there are 65 million Millennials (the selfie-generation) in the US. This group, along with today's youth (Gen Z), need the most help disconnecting from technology and integrating in the outdoors. The Gen X cohort (72 million in the US) was not raised with the internet or smartphones and knows how to take in an experience and be in the present moment, though many are now addicted to their devices and have forgotten what life used to be like without them. SCORP emphasizes that "outdoor recreation areas are a key component of healthy communities and have profound economic, environmental, and individual health benefits." In addition, scientific studies in the growing field of ecopsychology demonstrate that time spent outdoors nurtures us.¹ A few hours per week in nature is linked to cognitive benefits, improvements in mood, mental health and emotional well-being. Clearly there is a need for a Project like ALIGN which aspires to be the hub of the Loop.

So get out and play, reflect, connect, and energize your soul. Celebrate sunsets and moonrises. Be moved and experience peak joy and amazement. Unplug, release anxiety and negative emotions, and make memories! Escape, Retreat, and Restore. Science says it's good for you.

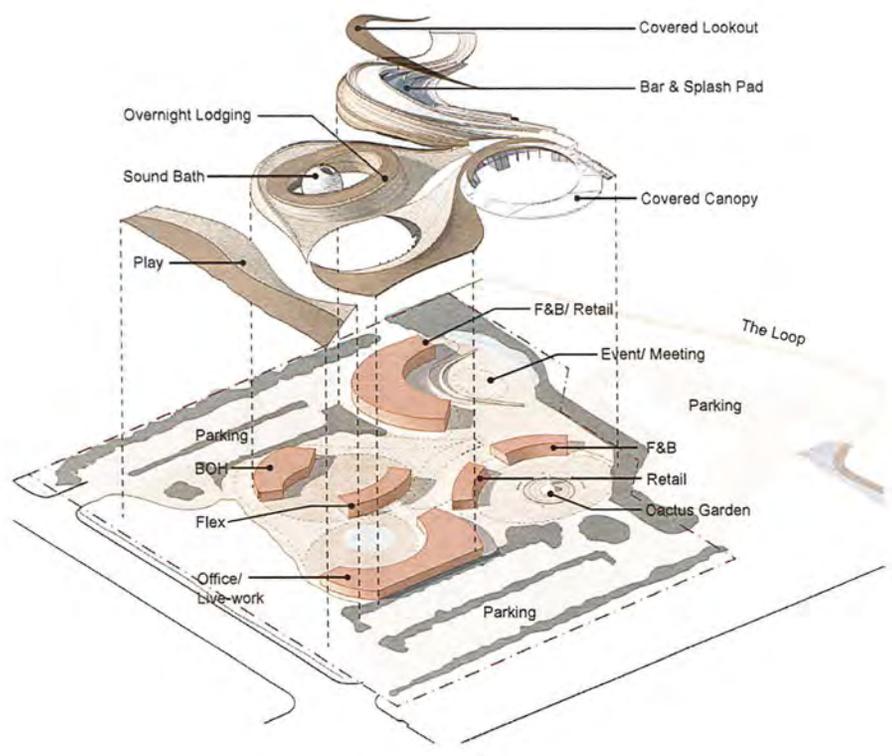
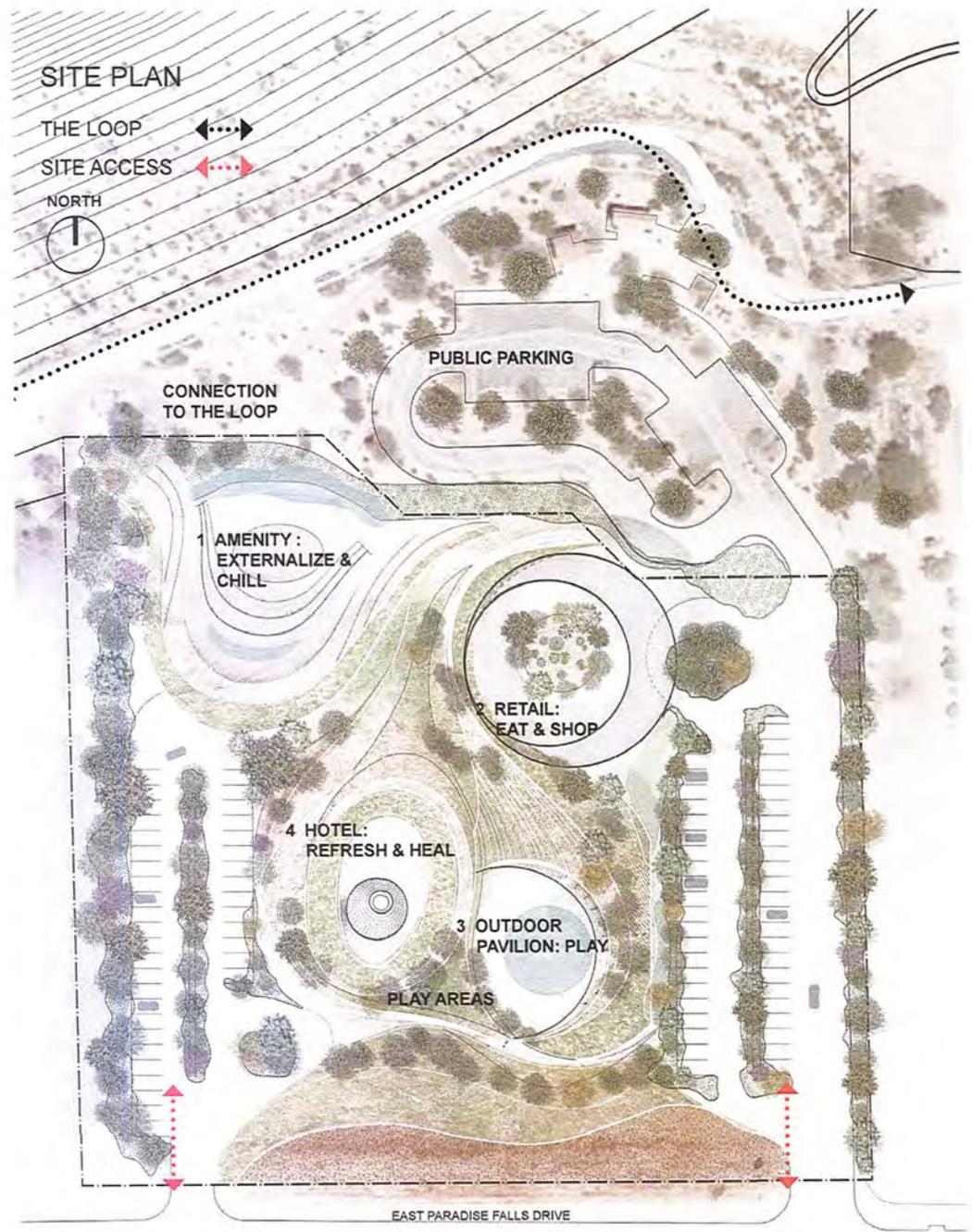
¹ Nurtured by Nature, American Psychological Association, April 1, 2020, available at: <https://www.apa.org/monitor/2020/04/nurtured-nature>

PROPOSED DEVELOPMENT ELEMENTS

ALIGN is comprised of four interconnected pods:

1. AMENITY: "Externalize & Chill" (13,000 sq-ft)
2. RETAIL: "Eat & Shop" (7,800 sq-ft)
3. OUTDOOR PAVILION: "Play" (7,500 sq-ft)
4. HOTEL: "Refresh & Heal" (12,500 sq-ft)

We imagine people flowing freely and comfortably between the Loop and the enhanced park environment leaving their worries behind. On a typical day, at sunrise, early risers arrive for yoga at one of the onsite pavilions. Pedestrians and cyclists trickle in from morning exercise on the Loop, stopping at the bike shop for a tune up. Fresh coffee, cold-pressed juice, and breakfast from the café awaits. Business meetings and other friendly morning rendez-vous organically occur in ample seating and lounging areas throughout the Property. At lunchtime, office users from the adjacent Rillito Crossing Corporate Centre walk over from



the west on bridgeways connecting the developments. Cars arrive with workers seeking a peaceful al fresco meal for a break in their work day or to drop in on a fitness class. In the afternoon during the warm season, cold beers are cracked and icy margaritas poured at the bar and enjoyed at the adjacent splash pad. The general store supplies provisions like sun hats, bandanas, and clothing for those needing an extra article to stay comfortable. Cyclists and runners hit the grab and go vending area for energy drinks/bars/gels and depart for the Loop before sunset. They return to their lockers and coin-op showers to clean up for the night's festivities. The sun lowers, and office/live-work renters greet and entertain their guests for happy hour in their loft-like spaces. Children arrive with their parents to play in the Play-Park area at the south end. Yogis flow out of the pavilions from the last classes of the day. The mountains glow pink, and it's time to celebrate the end of day and beginning of night. Hotel guests ascend to the second floor of their building to watch the sun go down and the city lights come up. The main attraction—the terraced amenity area—begins to buzz with arrivals for dinner and drinks as live performers sound check and begin their set. The stars brighten and astronomy lovers gather on the third floor deck to peer through telescopes at the observatory. Friends frolic into the night reveling in the moment, in the cold months, keeping warm by the fires.

ALIGN will be a prime destination for groups gathering for special occasions like birthdays, graduation parties, holiday parties, and weddings. Celebrations can be planned for celestial events like solstices, equinoxes, full moons, meteor showers, and more. Unexpected moments are savored like watching a monsoon roll in and a rainbow appear. Each day is a reason to celebrate life and show gratitude, which this Project aspires to facilitate not simply through well-positioned retail programming but from a built environment that aligns and shapes us, revealing new connections and common ground.

Prospective occupant-users include Session Yoga, Campfire Cycling, and an observatory managed by the Mount Lemmon SkyCenter. The Project has been presented to these individuals who have joined the team, expressing interest in operating onsite. Team member Creative Machines has also joined the team as a consultant to assist with potential interactive exhibits and land art installations. Infinite Concepts will operate both bar spaces and may also operate the food establishments. With their depth of experience in operating food and beverage establishments and quality of construction, the Ermans will be selective in attracting food concepts that are most suitable for the endeavor, particularly healthy eating options consistent with the ethos of the Project as well as the County's Healthy Community Framework set forth in Pima Prospers.



Landscape Design

ALIGN is conceived as a place where the citizens and visitors of Tucson can connect with the wonders of the natural landscape of the desert and the cosmic alignments of the solar system, foregrounding recreation, interpersonal interaction and spirituality. The landscape design of ALIGN works with topography, plants and geology of the Tucson region to create a series of horizons that visitors move through when they arrive and enter the park, both from East Paradise Falls Drive in the neighborhood as well as from the Huckelberry Loop. Rolling berms and hills initially obscure and then reveal entries into destination venues, subterranean courts and gathering plazas. Alternating rubble rock gardens and lush plantings contrast the arid and rocky character of desert hillsides with airy grassland and lush riparian bottomland ecologies. The park will be a carefully composed series of water conscious gardens that heighten sensory experience in the landscape.

A surreal bermed moonscape of local stone boulders punctuated by grass trees will greet visitors arriving from the neighborhood. As visitors arrive via car, bicycle or walk into the site, they will be sheltered by the lush northern side of the berm planted with perennial grasses and native trees. The planting will signify how water moves through the site. Both topography and planting will be designed to direct, filter and slow storm water before it is released. As the park slopes down toward the Rillito River, the central pedestrian experience will be lush and sheltered between sunken gathering spaces and recreational facilities. At the northern end of the site, amphitheater seating and a sunken plaza overlook the river and will detain and filter runoff before the water is released into the watershed. Rooftop plateaus and night plazas cap the buildings, allowing for relaxation, eating and stargazing around fire pits and sunken grottos.

AMENITY - Externalize & Chill

Retail Flex 1 / Bar 1	2000
Food Service 2	3500
Flex 2 / Vending / Grab & Go	2500
Bar 2	2000
Wine Cave / Basement	3000
Total Leasable	13000

RETAIL - Eat & Shop

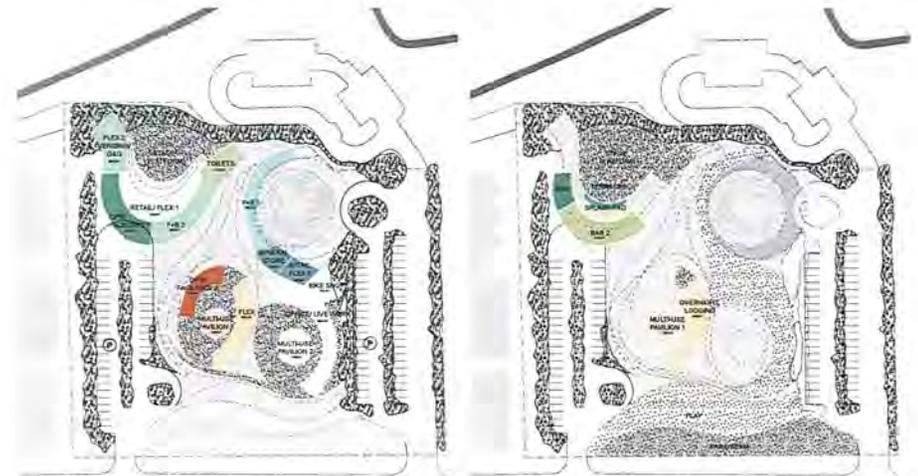
Food Service 1	3500
General Store	1500
Retail Flex 3	2000
Bike Shop	800
Total Leasable	7800

OUTDOOR PAVILION - Play

Multi-Use Pavilion 2	1500
Office / Live-Work	6000
Total Leasable	7500

HOTEL - Refresh & Heal

Multi-Use Pavilion 1	1500
Ops 2	3500
Flex 4	3500
Flex 5	3500
Overnight Lodging	4000
Total Leasable	12,500



GROUND LEVEL PROGRAM DIAGRAM

UPPER LEVEL PROGRAM DIAGRAM

SITE PLAN

THE LOOP
 DRY GARDEN TRAIL
 BERM TRAIL

NORTH



CONNECTION TO THE LOOP

PUBLIC PARKING

DRIER LANDSCAPE SIDE. CACTUS GARDEN

OLIVE GROVE

ZEN CACTUS GARDEN

SCULPTURAL TREES AT DROP OFF

RIVER-GARDEN. MORE GREEN.

BICYCLE PARKING

EVENT SPACE

LOWER LEVEL OVERLOOKS

THE TERRACES

HIGHER LEVEL OVERLOOK WITH NATIVE GRASSES

ARRIVAL PLAZA

DESERT WILLOW TREES AROUND PARKING AREAS

SOFTER SIDE GRASSES

MEDITATIVE PLAZA

EVENT PLAZA

GRASSES WITH PARKINSONIA TREES

ARRIVAL TREES WITH BOULDERS

SLOPE WITH GREEN GRASSES AND PARKINSONIA TREES

RIDGE LINE

RUBBLE BERM WITH DASYLIRION AND SAGUARO PUNTUATING

BIOSWALE DRAINAGE

GRASSES ON WALKABLE BERM WITH PARKINSONIA TREES

REFLECTING POOL

DESERT SMOKE TREE

GRASSES ON WALKABLE BERM WITH PARKINSONIA TREES

PLAY AREAS

EAST PARADISE FALLS DRIVE

PRELIMINARY PLANTING LIST

- Tree: Accent
Deciduous
15-20 ft H
15-20 ft W
Sun
 *Chilopsis linearis* 'Monhevs'
Timeless Beauty Desert Willow
Spring
- Tree: Accent
Evergreen
25-30 ft H
20-25 ft W
Sun
 *Olea europaea* - Field grown
Olive
- Tree: Accent
Evergreen
15-20 ft H
15-20 ft W
Sun
 *Parkinsonia aculeata*
Palo Verde
Summer
- Tree: Accent
Evergreen
20-25 ft H
20-25 ft W
Sun
 *Parkinsonia* x 'Desert Museum'
Desert Museum Palo Verde
Spring
- Succulent
Evergreen
3-4 ft H
3-4 ft W
Sun
 *Agave ovatifolia* 'Frosty Blue'
Whale's Tongue Agave
- Succulent
Evergreen
1 ft H
1 ft W
Sun
 *Agave stricta*
Needle Leaf Agave
- Succulent
Evergreen
2 ft H
W
Sun
 *Agave stricta*
Hedgehog Agave
- Succulent
Evergreen
4-6 ft H
4-6 ft W
Sun
 *Dasylirion longissimum*
Mexican Grass Tree
Summer



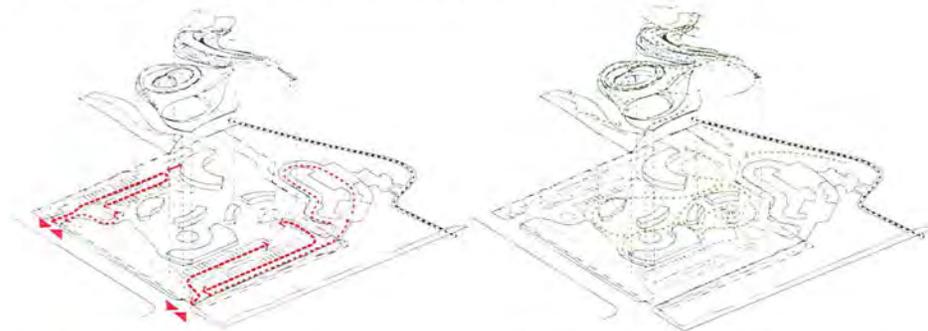
PLANT COMBINATION LOOK AND FEEL



RUBBLE BERM WITH PERENNIAL GRASSES

CIRCULATION

The site is planned for intensive walkability and invites bicycle access direct from the Loop and from Paradise Falls Drive. Parking is located on the east and west flanks of the site.

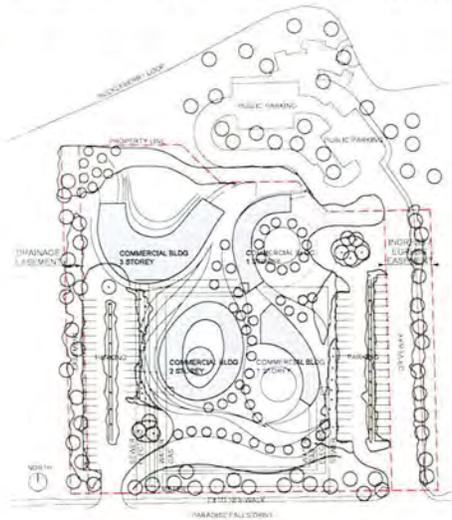


Vehicular Site Access And Circulation

Pedestrian Site Access And Circulation

INFRASTRUCTURE

Each of the 4 interconnected pods will tie back to Paradise Falls Drive public service lines electrical, gas, water and sewer utility hook ups as indicated in the attached preliminary diagram.



REZONING PLAN

The Project's rezoning plan involves a Planned Area Development (PAD) rezoning led by team member Rory Juneman, Esq. Commencing upon award, this process is expected to require 9-12 months to complete. Details regarding the rezoning process are provided here within Mr. Juneman's analysis.

Rezoning the Property will be a key component to realizing the RFP's vision and goals. The Property is currently in the City's Suburban Ranch Zone ("SR"), a low-density residential zone that does not permit commercial uses. Infinite Concepts ("IC") is proposing a vibrant mix of commercial uses and public spaces that will enhance and complement the Loop. Therefore, the SR zoning will not allow for IC's Project vision and therefore will require a rezone to an appropriate City zoning district.

IC proposes a unique Project design tailored to the Property that will maximize the site's physical elements. The uniqueness of the Project requires an equally unique zoning district, which is why we propose a Planned Area Development ("PAD") zoning district. A PAD is a customized zoning district that allows the property owner to tailor the Property's uses and development standards for a proposed Project. A PAD is ideal because it allows for the flexibility and creativity needed for this unique Project. The PAD will permit a custom mix of retail, commercial, hospitality, and residential use for the Project, and exclude uses incompatible with the nearby residential uses. The PAD's development standards will be tailored to allow for the proposed physical site design, such as setbacks, building heights, parking and landscaping requirements unique to the Project. Because the Loop will be an integral part of the Project, the PAD will incorporate standards that promote the interaction between the Project and the Loop, such as reduced setbacks at the Loop and public open space designations within the Project.

The PAD will also address specific mitigation elements to reduce the potential impacts, if any, on the surrounding areas including the residential neighborhood to the east. For example, a PAD can restrict specific uses or require buffering designed to mitigate potential concerns.

A PAD rezoning follows the City's standard rezoning process, including a neighborhood meeting, public hearing before the Zoning Examiner (recommending official), and public meeting/hearing before the City's



Mayor and Council. Throughout this process, we plan to work with all stakeholders, including the nearby neighborhoods (see Public Input Process below).

The PAD rezoning will be one of the first tasks that IC undertakes after RFP issuance. A PAD rezoning typically takes nine-to-twelve months to process and obtain approvals. Lazarus & Silvyn, PC, southern Arizona's only land-use law firm, will lead the Property's rezoning process with assistance from the Project's architects and civil engineers for exhibit support. Lazarus & Silvyn has extensive experience with zoning entitlements, including multiple PADs and Specific Plans (the Pima County equivalent to a PAD). The primary contact at the City for the rezoning will be John Beall, Section Manager, Planning and Development Services ("PDS").

PUBLIC INPUT PROCESS

Infinite Concepts believes that stakeholder outreach is essential to the Project's success. This is especially true during the rezoning, which requires thorough and thoughtful outreach with numerous key stakeholders.

The key stakeholders for the Project include:

- **Pima County:** The County will be both a partner and stakeholder for the Project. As the landowner, the County has defined the vision for the Property as a mixed-use amenity for the Loop's users. IC intends to work with the County as a partner and stakeholder to ensure this vision becomes reality.
- **City of Tucson:** The City will be a key stakeholder for the Project. Because the Project is located within its limits, the City will see numerous benefits from the development including revenues from sales taxes and development fees, to increased amenities from the Project's commercial and community spaces. In addition, IC will work extensively with City PDS in processing the rezoning request. In IC's initial discussion with PDS about the Project, they reacted positively to the idea of a mixed-use development that complements the Loop and the surrounding neighborhoods. Upon a successful RFP, the Project team will continue to work with PDS on the rezoning and development approvals.
- **Riverhaven Community Association ("RCA"):** As the neighboring residential homeowners' association, RCA will be a key stakeholder in the rezoning process. IC will conduct early outreach to RCA to educate them on the Project, listen to their concerns, and mitigate for those concerns when possible. Outreach to RCA will continue through the entitlement process into construction and operations. IC believes the residents of RCA, as the Project's closest neighbor, are a key customer base that will help make the Project successful.
- **Rillito Crossing Owners Association ("RCOA"):** RCOA is the adjacent office complex owners' association, and its support will be crucial to the Project. IC believes its Project naturally complements Rillito Crossing by providing it easily accessible restaurant options not currently available in the area.
- **Ward 3 City Council Office:** The Project team will work with the Ward 3 Office, including new Council member Kevin Dahl, regarding the rezoning, construction, and operations of the Project.
- **District 3 Board of Supervisors Office:** While the Project is located in the City, the Project team will work with Supervisor Sharon Bronson and her staff to keep them updated on this Project.
- **Loop Users:** County statistics of monthly Loop users shows that the area adjacent to the Property likely has between 20,000 and 39,000 monthly users.³ This is a significant population of County residents and visitors that will benefit from the Project.

Other stakeholders include the many local and regional organizations promoting cycling, mountain biking, trails, and hiking."

³ See Loop Usage Reports as of November 2021, www.arizona-demographics.com/zip_codes_by_population.

LOCAL IMPACTS

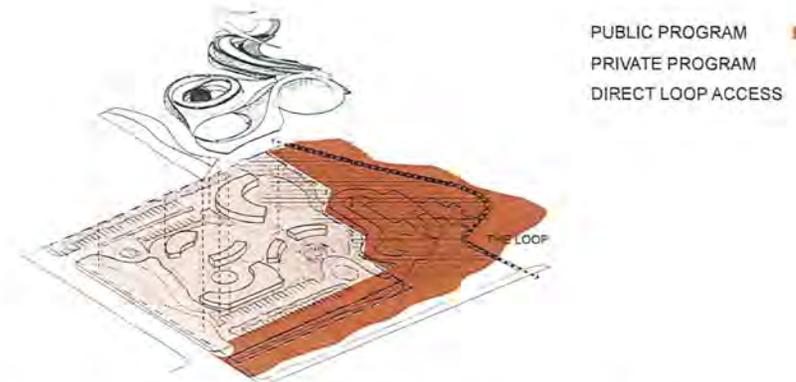
ALIGN will be a gateway if not *the gateway* to the Huckelberry Loop. The team has conducted a full survey of the 131-mile Loop as part of the design process. Community-focused, Urban Parks like The High Line of New York City, and the Atlanta BeltLine have become catalysts for significant growth along their edges. These cultural amenities service the city as both energetic economic and cultural centers. They create a Sense of Place.

The Project's uses and unique design will be a significant asset to the area. For the immediately surrounding area, the Project will provide food and beverage service, Loop-focused retail, and ample outdoor space to an area that lacks these amenities. These amenities will be especially beneficial to the Riverhaven neighborhood. The ability for these residences to walk or bike to the Project to eat, shop or play will be a significant benefit to these families. Similarly, workers at Rillito Crossing will have easy access to the restaurants at the Project, giving them a walkable option for coffee, lunch, or an after work happy hour.

The Project will also be easily accessible from the Catalina Foothills area, with a population of approximately 50,000 people.³ In addition, the monthly Loop traffic adjacent to the Property likely ranges between 20,000 and 39,000 users per month.⁴ These are significant populations that will see the Project as a destination location for dining and gathering. Capturing just a portion of these potential markets will provide ample demand to allow the Project to be successful.

IC is placing an emphasis on world-class design for the Project with the intention to make it a regional, national, and global destination. While local residents will allow the Project to be successful, over time the Project's design will be something that we feel will gain broader attention and attract visitors from all over the world.

The Project would be beneficial to the immediate area providing a full suite of amenities within walking distance that do not currently exist. Connectivity to the adjacent corporate plaza to the west could be established across the drainage which would create synergy between the developments. The residential neighborhood to the east would also have access to an all-day retail environment which would make the



³ 2019 Census data for zip codes 85718 and 85750, www.arizona-demographics.com/zip_codes_by_population.

⁴ See Loop Usage Reports as of November 2021, www.arizona-demographics.com/zip_codes_by_population.

area a more desirable place to live. County Urban Trail 008 (Columbus Boulevard Secondary Trail) in the Trail System Master Plan Map also connects the neighborhood with the northeast area of the Property, providing Loop access for its residents.

Other local impacts include serving visitors to the nearby JCC, Mehl Park, Brandi Fenton Park, as well as Tucson Racquet Club. Additionally, the County has designated the Kleindale corridor as a Community Development Target Area for focused development. See Kleindale/Dodge Infill Overlay Zone at Ordinance 18.68.040 (2018). This rectangular area is bounded by Richey Blvd. to the west, Kleindale to the north, Ft. Lowell to the south, and Alvernon to the east. The Kleindale/Dodge area, which is in very close proximity to the Property, would greatly benefit from the amenities provided by the Project that are rare in the area.

As evidenced by the County's April 2020 Loop Survey Report, the team believes there is excess demand for retail along the Loop, particularly along this segment where the closest options are St. Phillips Plaza and the Metal Arts Village. Other nearby retail centers include Grant/Alvernon, Grant/Swan, River/Campbell, and Fort Lowell/Swan. However, the distance of these strip centers from the Property leaves a retail void with a radius of approximately 1.5-2.0 miles in all directions. Is there a need for this type of concept in this location and can the market bear it? We confidently believe so, and recognize that in the competitive game of retail with high attrition, the difference between success and failure is in the details and thoughtfulness of the Project which can make a place a unique and extraordinary destination—very much unlike the ordinary strip mall. Additional analysis regarding local market viability are provided by the team member's retail specialist, PICOR principal, Rob Tomlinson, in the Financial Plan section (page 51).

The Erman brothers have defied the odds in a competitive industry with thin margins, surviving and thriving through the pandemic. Their commitment to promoting a positive work culture among their staff, hospitality, quality food and beverage product, and of course a key differentiator, architectural design, has set them apart from the competition. They bring this same tenacity and dedication to this concept.

CONTINGENCY PLANNING

Contingency planning will be a critical part of the Project, as this development – like all projects – will need to make adjustments at some point during its lifecycle. IC is fully prepared to strategically and creatively resolve issues that potentially will arise during the entitlement, construction, financing, and operations stages. IC also wants the County to be a part of any contingency planning that will occur.

To help manage contingencies, IC proposes the creation of a Project Committee consisting of three-to-four members of County staff along with IC's principals, its lead architect, and its general contractor. The Project Committee will hold regular meetings throughout the process to discuss all issues related to the Project, including entitlements, design, financing, and construction. The Project Committee will allow IC and the County to have consistent communication throughout the Project's lifecycle to address issues early and thoroughly.

The team is not aware of any proposed commercial uses, heights, or other elements within the Project that are incompatible with the anticipated rezoning, particularly in light of the C-1 zoning of the adjacent corporate plaza. Given that the plan's elements contain only permissible uses upon rezoning discussed above, we are not aware of any elements that the development hinges upon which could not be removed. Negative impacts such as traffic and noise will be addressed by the team's designers, engineers, and consultants. The team looks forward to working with stakeholders, nearby property owners, and the County to hear feedback regarding any potential negative impacts so they can be planned for and resolved before construction commences.

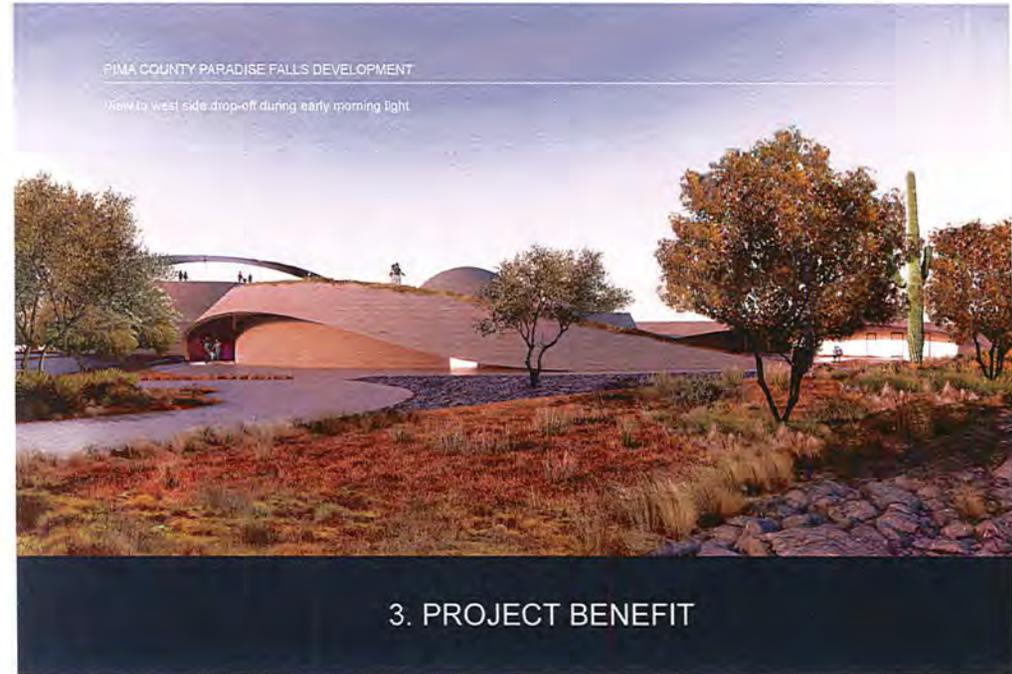
Externalize and chill. Viewing terraces, lounge and event spaces overlooking the Loop



View to retail arrival from the Loop



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The Project would advance several of the County's economic and community goals as set forth below.

Pima Prospers Comprehensive Plan

Elements of the Pima Prospers Plan that would be furthered by the Project include:

- Chapter 3.1 ("Land Use Element"), Goal 1, Policy 1 states that the use of land should "Promote land use patterns that support healthy people, a healthy environment, and a healthy economy." An appropriate mix of land uses should "support a balance of housing, employment, shopping, recreation, and civic uses" while also "further[ing] expansion of economic development goals" and which "conserves, protects and maintains culturally and biologically important lands." Policy 2. The Project is a blend of both vertical and horizontal mixed use, respectfully scaled with existing development, and incorporates recognized Wellness Principles: elements of walkability, bikeability and access to work, school, services, infrastructure, and healthy foods. Policy 7, Policy 8 at 3.3 -3.5.
- In March 2020, the County's Planning and Zoning Commission authorized staff to amend the Pima County Zoning Code to facilitate and encourage development in proximity to the Loop. Approved in July 2020, the amendment at 18.07.030(V), "Trail-oriented development", incentivizes retail and service amenities for users who commute and recreate on established County trails listing uses: "coffee shop, cafe, delicatessen, ice cream store, juice bar, refreshment stand, restaurant (with or without alcohol sales)" and other complementary services such as a bicycle shop or small retail establishment. The guidelines also state that such establishments should include outdoor seating, shade, landscaping, green infrastructure, and water harvesting. Although these zoning incentives would not apply to Property which is in city jurisdiction, we note that the Project incorporates these guidelines to enhance the Loop, consistent with the County's goals set forth in Pima Prospers.

- Chapter 3.2 “Focused Development Investment Areas Element” identifies the Loop as falling under this element and aspires to incentivize job creation; support healthy lifestyles and the Sonoran Desert’s unique identity as a world destination; lifestyle, entertainment and art districts that are revenue generators; and support urban development with evolving mixed use areas. Goal 1(a) (4), (5), (7), (10). Goal 2 focuses on improving quality of life through policies of infill development to create higher density to support desirable services, increase the tax base, and integrating parks, plazas, and other gathering places with shade - providing trees, and comprehensive landscaping to provide places for community activity and interaction and to reduce the urban heat island effect.
- Chapter 3.3 “Open Space Element”, Goal 3, references the contribution that open space lands make to the regional ecosystem, biological diversity, and cultural heritage. The project’s signature design incorporates open air park space and amenities side by side, appearing as an expansion of the natural Rillito River Park landscape, rather than just another shopping mall development. The project will highlight indigenous, native planting and include sustainable building systems such as green roofs and porous hardscape design that will behave less like a series of conventional buildings and more like the River Park itself.
- Over 100 miles of shared-use paths have already been completed, and as stated at Chapter 4 (Physical Infrastructure), Element 4.8 (Trails Element), the County has prioritized supporting the continued development of the Loop as a high quality, integrated and multi-use trail system to promote healthy lifestyles, economic development, and connectivity to a variety of destinations.

There is great potential to extend existing and dedicate new trails particularly in flood-prone areas in the vicinity (east) of the Property and improve recreation areas that are available for use and enjoyment of subdivision residents and the community. 4.8, Policy 3, 7, 10. The area to the east of the Property is designated as County Urban Park in the County’s Regional Trail System Master Plan Map, Revised Feb. 2015. Columbus Boulevard has been designated as an enhanced bicycle/pedestrian corridor (EC002), connecting several neighborhoods to the Loop and Rillito River Park. The Project is very much synchronized with the County’s goals of integrating the trail system and promoting the Loop as a regional attraction promoting healthy lifestyles, active recreation, economic development and connectivity to a variety of destinations. Element 4.8, Goal 2.

The Pima County Regional Trail System Master Plan states: “Today, the number of people using trails is greater than ever, generating a need for more trail space within existing corridors. The new Master Plan includes complete, up-to-date trail standards designed to meet the growing population and a multitude of needs.” “The popularity of trails has been increasing for a long time and it appears it will continue to grow.” The benefits of trails are myriad, including enhancing natural habitats, promoting exercise and community health and fitness, tourism, economic development with top employers knowing that outstanding trail communities offer higher quality of life, making it easier to attract well-qualified personnel.

“A few minutes or a few hours on a recreational trail helps relieve the stresses of modern life. Trails offer terrific opportunities to spend quality time and interact with family members, friends, and neighbors. In an increasingly busy world with seemingly endless demands, trails provide an important mechanism to reconnect with the most important people in everyone’s lives through recreation.”

Pima County’s Sustainability Plan

The project aspires to set a high bar for Sustainability, referring to the Pima County ‘Sustainable Action Plan for County Operations’ and other nationally recognized charter documents that guide the team’s design vision for Sustainability design. The building structures are nestled beneath landscaped roof surfaces, which mitigate heat gain and are part of the water retention and control strategy. The design is in many ways a restored habitat, extending the Rillito River basin landscape features onto the site. All building apertures are recessed and shaded by shade canopy structures. Building materials will be carefully selected to meet and exceed LEED certification goals. With the health of the planet as a core

pillar of Infinite Concepts, the developer will also develop a sustainability master plan for post-occupancy operations to limit waste and minimize the operational carbon footprint as well.

Pima County’s Economic Plan

As set forth in the economic analysis below, this \$25 million Project would stimulate economic development in the near and long term, generating significant tax revenues and jobs from the substantial improvements to the land. Four out of 10 Tucsonans live within a mile of the Loop which studies have shown increases residential property values. The Loop has become a major visitor attraction and boost to the County’s economy. According to the Pima County Economic Development Plan:

“For every dollar invested in The Loop, Pima County realizes \$9.40 in economic benefit. Similarly, the path has created 96 jobs for every \$1 million spend in construction costs. This translates to more than 675 jobs in Arizona and close to 90 percent of those, or 600 jobs, in Pima County.”

The Loop is an incredible asset for promoting tourism and has even converted tourists into permanent residents and become a big recruitment tool for the County to attract companies like Caterpillar and Raytheon. The benefits of The Loop need to become a part of the branding effort for the region, not only for tourism but for workforce attraction. The Project would expand partnership opportunities between the Loop, neighborhoods and nearby businesses with complementary retail, restaurant and commercial services and would increase the County’s ability to attract and retain the knowledge employees sought by new/major employers in our region.

The major objectives of Pima Prospers are “to preserve and enhance the quality of life in Pima County; support a healthy community where individuals can live, work, learn, and play; protect cultural and natural resources and promote economic development.” The vision of the County in establishing the Loop network in a decades long effort espouses the idea, “if you build it they will come.” We believe this submission strongly demonstrates that the Project’s and County’s economic and community goals and long term vision are aligned.

ECONOMIC IMPACTS

Team member economist Sarah Murley, principal at Applied Economics has calculated the following impacts from the development:

Summary of Economic Impact

	City of Tucson			County, RTA, Schools		Total Local Revenues
	Property	Sales	Hotel	Property	Sales Tax	
Construction Sales Tax	\$0	\$427,303	\$0	\$0	\$82,174	\$509,476
Total Annual Revenues	\$33,681	\$478,808	\$44,895	\$377,267	\$93,808	\$1,028,458
Direct-Annual	\$19,576	\$444,975	\$44,895	\$197,310	\$85,572	\$792,328
Employee-Annual	\$14,105	\$33,833	na	\$179,957	\$8,236	\$236,130

This impact is a significant return on investment to the city and County. The assumptions used by Applied Economics are shown below:

Assumptions for Economic Impact

	Square Feet		Lease Rate Jobs	per Sq Ft	Food & Beverage	Retail	Room Sales	Nonres. Leases	Event Rentals
	Occupancy								
Amenity - Externalize & Chill	13,000	95%	65	\$35	\$8,250,000	\$687,500	\$0	\$432,250	\$0
Retail - Eat & Shop	7,800	95%	35	\$33	\$3,000,000	\$1,182,500	\$0	\$244,530	0
Outdoor Pavilion - Play	7,500	95%	8	\$32	\$0	\$0	\$0	\$228,000	\$52,000
Hotel - Refresh & Heal	8,500	95%	15	\$32	\$0	\$1,925,000	0	\$258,400	\$52,000
Hotel - Overnight Lodging	4,000	75%	4	na	\$0	\$0	\$602,250	\$0	0
Event Space/Outdoor Dining	10,000	na	0	na	\$0	\$0	\$0	\$0	\$200,000
Mechanical/Common Area	8,000	na	0	na	\$0	\$0	\$0	\$0	0
Total (incl. outdoor event space)	58,800	95%	127	na	\$11,250,000	\$3,795,000	\$602,250	\$1,163,180	\$304,000

It is estimated that ALIGN could generate \$15.0 million in annual taxable retail and food & beverage sales and \$1.5 million in estimated annual taxable leases and event rentals (excluding non-taxable rents for the live/work units). In addition, overnight lodging could generate an estimated \$602,000 in taxable room sales at an occupancy rate of 75 percent and an average room rate of \$275. Property taxes from the development are estimated to be \$37,000. Further property tax analysis will need to be done to confirm the potential property tax amounts.

JOBS

Applied Economics has calculated that the Project would directly support 127 jobs. These 127 employees through local purchases of goods and services would create an additional 33 indirect jobs for a total impact of 160 new jobs, an estimated annual economic impact of \$14 million in Tucson and Pima County, and \$5 million in total annual labor income, as summarized below:

	Direct Impacts			Total Impacts		
	Output	Jobs	Labor Income	Output	Jobs	Labor Income
Annual Economic Impact	\$9,171,316	127	\$3,517,657	\$14,045,425	160	\$4,991,399
Amenity - Externalize & Chill	\$4,331,383	65	\$1,717,560	\$6,483,478	80	\$2,368,448
Retail - Eat & Shop	\$2,587,121	35	\$873,830	\$4,014,031	44	\$1,296,996
Outdoor Pavilion - Play	\$920,318	8	\$302,010	\$1,424,036	12	\$460,456
Hotel - Refresh & Heal	\$897,594	15	\$481,110	\$1,486,616	19	\$655,121
Hotel - Overnight Lodging	\$434,901	4	\$143,148	\$637,263	5	\$210,378

In addition to these on-going impacts, construction expenditures will create a substantial one-time impact to the city and County. In addition to the direct construction, the indirect impact from local supplier purchases and employee spending is estimated to result in a total economic impact of \$39.1 million in Tucson and Pima County during the construction period, supporting an estimated 336 direct, indirect and induced jobs.

Construction Impacts

	Direct Impacts			Total Impacts		
	Expenditures	Jobs	Labor Income	Output	Jobs	Labor Income
Hard Costs	\$25,284,189	246	\$12,480,717	\$39,113,320	336	\$16,790,328

The differences between direct and total economic impacts are called multiplier effects.⁵ The average jobs multiplier for this development is 1.26. This means that for every 1 direct job created by businesses in the development, an additional 0.26 jobs and \$13,000 in payroll are supported at other local businesses outside the development.

METRICS

We believe that the most important metric to this Project is whether it benefits the community. While this can be measured with ROI, jobs created and taxes collected, it is challenging to quantify and calculate such benefits. Creating a very high quality park like experience is typically the work of publicly funded botanical gardens, museums, and other open space attractions where tax dollars mitigate risk. When it comes to Pima Prospers' goals of supporting healthy people, a healthy environment, open spaces, trail connectivity, and building upon the County's unique identity as a world destination for wellness, lifestyle, arts, and entertainment, the team is all in.

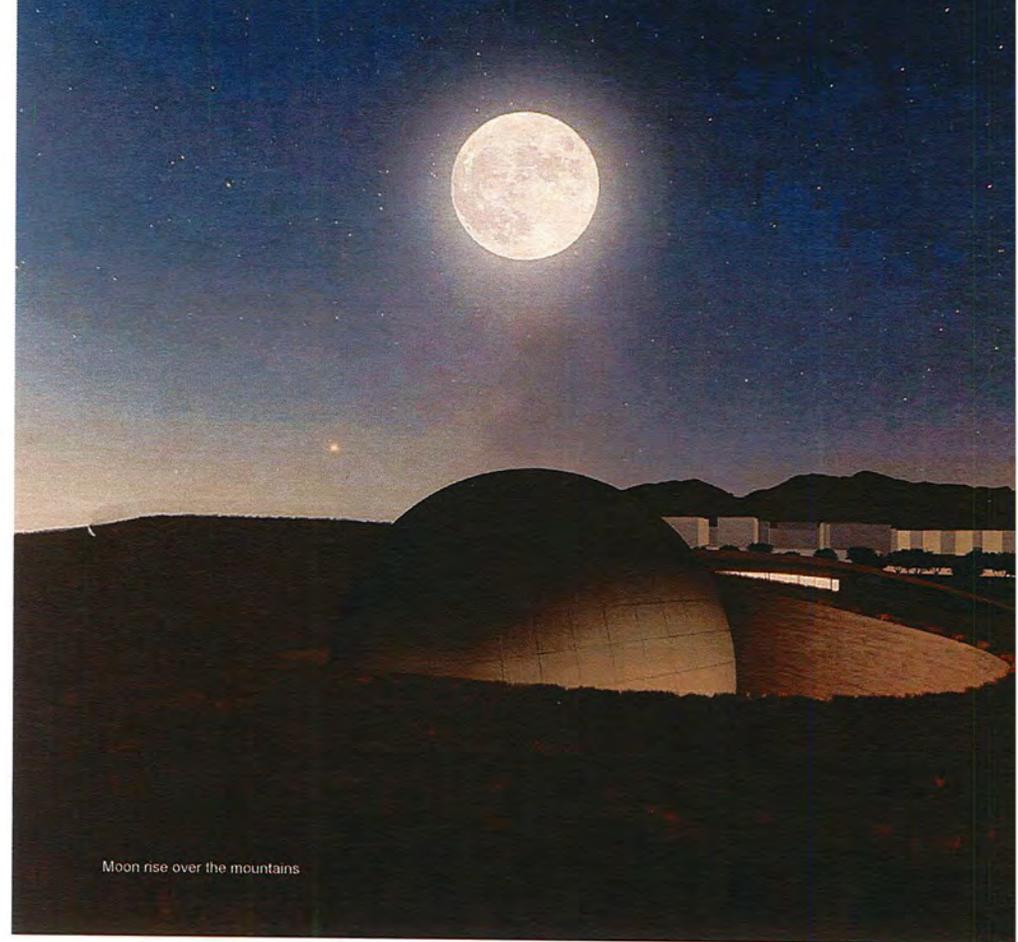
We have laid down our cards with a bold vision for this area of the Loop. What is success and who decides the metrics for which developments are successful? We have delivered a concept and team with capabilities to adhere to financial targets, construction schedule, and operational requirements. There are risks such as volatility in construction costs and whether the development can support the mix of uses proposed and the cash flow they would create. The team is prepared to adapt and compromise the Project's scheme if conditions change to ensure that the viability of the Project is not jeopardized. If the mix of uses and Project cost changes, the team must not compromise the architectural and landscape underpinnings of ALIGN's one-of-a-kind environment which is the single most important driver of success and strategy for mitigation of risk. The Erman brothers have tested and observed the benefits of capitalizing enhanced social environments which cost more than other hospitality spaces but can be much more successful. In sum, the team believes that ALIGN's high end environment and its skilled, experienced, and creative team are the keys to success while also providing the best protection against the risks posed by the Project and its cost.

⁵ Multiplier effects are a way of representing the larger economic effects on the local economy. The multiplier effects translate an increase in output into a corresponding increase in jobs and labor income. The total increase in output includes the impacts on other local supplier and consumer businesses. In essence, the multiplier effect represents the recycling of local spending. This process creates new business opportunities. The multipliers used in this analysis are from IMPLAN, a national vendor of economic impact software, and are specific to Pima County.

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4. PROJECT SCHEDULE, OPERATIONS & MAINTENANCE

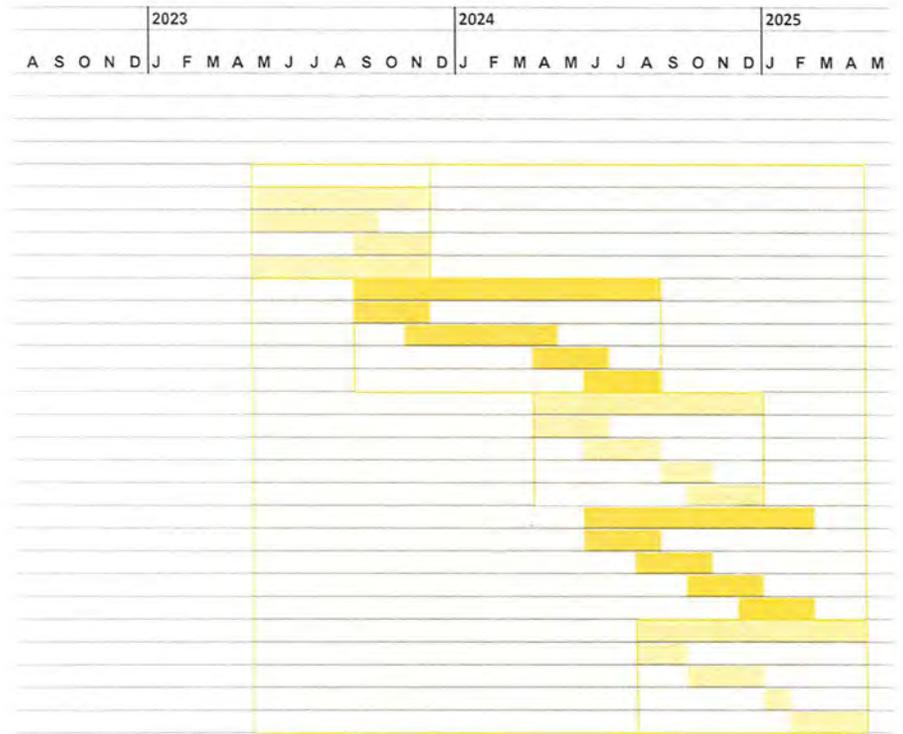
The construction team has assembled a project construction schedule with an expected completion by May 2025 with all elements of ALIGN scheduled to begin operation at that time.



Moon rise over the mountains

PROJECT CONSTRUCTION TIMELINE

Paradise Falls Schedule	Duration (months)	Duration (days)	Start	Finish	2022				
					M	A	M	J	J
PROJECT TIME FRAME	~ 39	810	Mar-22	Apr-25					
Approval by County			3/7/22						
Rezoning	11	240	3/7/22	2/3/23					
Architecture and Engineering	14	300	3/7/22	4/28/23					
Construction	23	510	5/1/23	4/11/25					
Site Work and Utilities	7	160	5/1/23	12/8/23					
Mass Grading	5	90	5/1/23	9/1/23					
Utilities	3	60	9/4/23	11/24/23					
Landscaping	7	160	5/1/23	12/8/23					
Amenity - Externalize and Chill	12	260	9/4/23	8/30/24					
Foundations	3	60	9/4/23	11/24/23					
Structure	6	100	11/27/23	4/12/24					
Skin	3	40	4/15/24	6/7/24					
Interiors	3	60	6/10/24	8/30/24					
Retail - Eat & Shop	9	180	4/15/24	12/20/24					
Foundations	3	40	4/15/24	6/7/24					
Structure	3	60	6/10/24	8/30/24					
Skin	1.5	30	9/2/24	10/11/24					
Interiors	3	50	10/14/24	12/20/24					
Hotel - Refresh & Heal	9	180	6/10/24	2/14/25					
Foundations	3	40	6/10/24	8/2/24					
Structure	3	60	8/5/24	10/25/24					
Skin	3	30	10/28/24	12/6/24					
Interiors	2.5	50	12/9/24	2/14/25					
Outdoor Pavilion - Play Foundations	9	180	8/5/24	4/11/25					
Foundations	2	40	8/5/24	9/27/24					
Structure	3	60	9/30/24	12/20/24					
Skin	1	30	12/23/24	1/31/25					
Interiors	2.5	50	2/3/25	4/11/25					



OPERATIONS & MAINTENANCE PLAN

Property Management

Infinite Concepts and its operations team will manage the Property. With their depth and relationships in the Tucson community and its retail sector, Infinite Concepts is well positioned to attract quality tenants and adapt to tenant turnover. Infinite Concepts will work alongside team member and retail specialist Rob Tomlinson, principal at PICOR, who has focused his career on the needs of landlords and tenants. His expertise and complete understanding of leasing will offer the Project valuable insights so that it strides out on the right foot and thrives. Infinite Concepts' experience in retail leasing as a tenant has led to its understanding of the balance between the retail revenue generating potential of spaces and their users with rents that are reasonable in the marketplace. It is this balance that is critical to the success of the Project and its tenants so both will mutually benefit and grow.

Moreover, the Project has been designed for maximum flexibility in uses. Except for the infrastructure requirements of the 2 bars and restaurants totaling 11,000 sq-ft, the remaining 29,800 sq-feet of space can flexibly accommodate a range of uses from shopping, offices, live-work spaces, long-term multi-family residential rentals, or overnight stay. This flexibility of uses will be beneficial in instances of tenant turnover. With aspirations of growing its brand beyond Tucson, Infinite Concepts intends to operate ALIGN and maintain control over its experience but believes in the potential community and economic benefits that could be realized from a strategic partnership.

The annual maintenance costs of ALIGN upon opening are estimated to be \$74,108. As chief of operations, Eric Erman with his valuable technical experience will lead operations and maintenance of ALIGN including the design and implementation of a scheduled maintenance program and database to track and maintain the facility so it can healthily and reliably operate every day year-around.

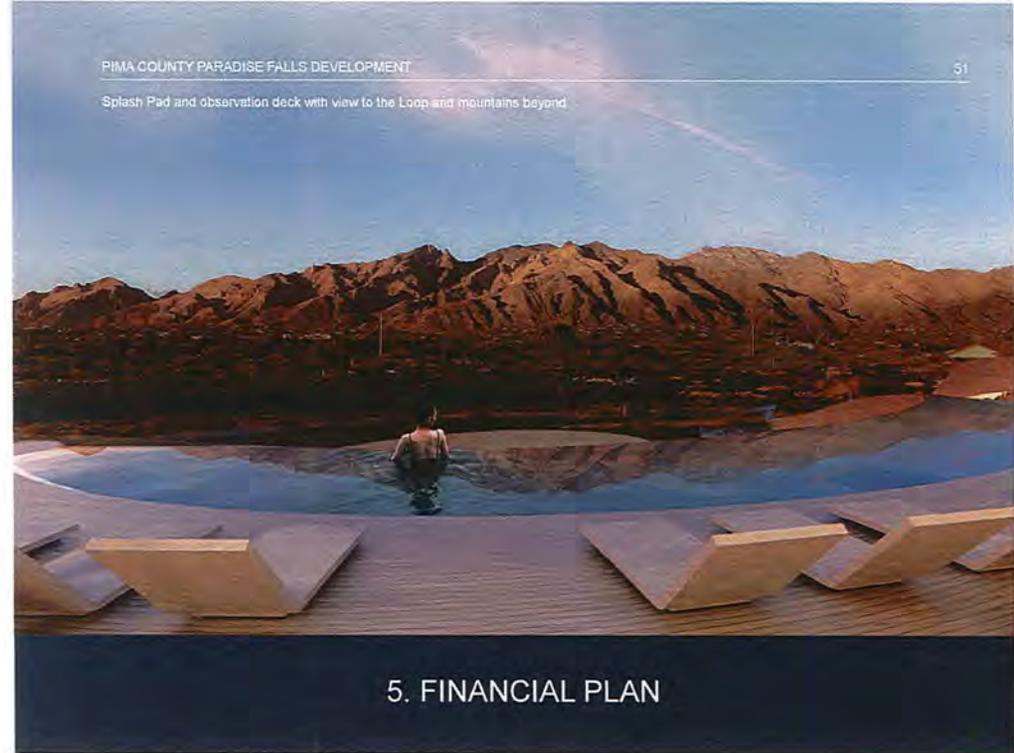
The team expects to have direct connections with the neighborhood community and its leaders to respond to concerns related to the Project's operation. As with its current hospitality operation on Fourth Avenue in the historic Iron Horse Neighborhood, Infinite Concepts strives to improve its community and looks forward to building rapport with the neighborhoods if awarded. A letter of reference from the Iron Horse Neighborhood Association is included in the submission Appendix.

Capital Maintenance Costs

Upon opening, the Project anticipates approximately \$115,000 in annual common space maintenance and capital improvements. Of this sum, \$41,000 would be dedicated to future capital projects and rehabilitation of site infrastructure and \$74,000 would be allocated to regularly scheduled maintenance and other repairs and related needs. The sources of funding for these expenses are set forth in the Financial Plan (page 51).

In hospitality spaces, facilities are designed to have an appropriate balance of revenue generating capabilities without sacrificing flow and functionality. Upon opening of ALIGN, as the venture is observed, knowledge and insights lead the way to increased efficiencies and revenues through additional capital investments that yield large benefits relative to the Project's cost. We expect these low lying fruit enhancements during the early years of the operation and have budgeted accordingly.

Splash Pad and observation deck with view to the Loop and mountains beyond



5. FINANCIAL PLAN

Detail project's operating revenue and costs.

A ten-year profit and loss statement is provided in Tables 1 and 2.

Table 1

		Revenue Paradise Falls			
Rent Revenue		Year 0			
		Leasable SF	\$/SF/Year	Monthly	Annually
AMENITY - Externalize & Chill		13,000 SF	\$35.00 Net	\$ 37,916.67	\$ 455,000.00
RETAIL - Eat & Shop		7,800 SF	\$33.00 Net	\$ 21,450.00	\$ 257,400.00
OUTDOOR PAVILION - Play		7,500 SF	\$32.00 Net	\$ 20,000.00	\$ 240,000.00
HOTEL - Refresh & Heal		8,500 SF	\$32.00 Net	\$ 22,666.67	\$ 272,000.00
				\$ -	\$ -
Total Commercial/ Retail Rents		36,800 SF	\$33.27 Net	\$ 102,033.33	\$ 1,224,400.00
Other Revenues	Units				
Hotel - Overnight Stay Rental	1	1 SF	\$602,250.00 Net	\$ 50,187.50	\$ 602,250.00
Event and F&B Net Revenue	1	1 SF	\$725,000.00/Unit	\$ 60,416.67	\$ 725,000.00
Pavilion 1 - Multi Use Rental	1	1 SF	\$52,000.00 Gross	\$ 4,333.33	\$ 52,000.00
Pavilion 2 Multi-use Rental	1	1 SF	\$52,000.00 Gross	\$ 4,333.33	\$ 52,000.00
		4 SF		\$ 221,304.17	\$ 1,431,250.00
			Less Commercial/Retail Vacancy	\$ (5,101.67)	\$ (61,220.00)
			Net Total Revenue	\$ 216,202.50	\$ 2,594,430.00

Table 2

Annual Pro Forma Profit & Loss Statement				
		Year 1	Year 2	Year 3
Revenues				
Commercial Rents	36,800 SF	\$ 1,246,018	\$ 1,271,168	\$ 1,296,826
Hotel - Overnight Stay Rental	1 SF	\$ 602,250	\$ 608,814	\$ 621,103
Event and F&B Net Revenue	1 SF	\$ 725,000	\$ 732,902	\$ 747,696
Pavilion 1 - Multi Use Rental	1 SF	\$ 52,000	\$ 52,567	\$ 53,628
Pavilion 2 - Multi-use Rental	1 SF	\$ 52,000	\$ 52,567	\$ 53,628
Less Commercial Vacancy	5.00%	\$ (62,301)	\$ (63,558)	\$ (64,841)
TOTAL REVENUES		\$ 2,614,967	\$ 2,654,460	\$ 2,708,039
Commercial & Office Vacancy Expenses				
Non-Reimbursable Commercial/Office Expenses		\$ 40,213	\$ 40,682	\$ 41,157
Commercial Vacancy Expenses		\$ 12,893	\$ 13,044	\$ 13,196
Residential Operating Expenses				
Administrative Expenses		\$ 27,791	\$ 28,210	\$ 28,636
Payroll and Benefits		\$ 55,581	\$ 56,421	\$ 57,273
Marketing and Advertising		\$ 18,527	\$ 18,807	\$ 19,091
Common Area Maintenance		\$ 74,108	\$ 75,227	\$ 76,364
Common Area Utilities		\$ 46,318	\$ 47,017	\$ 47,727
Insurance		\$ 74,108	\$ 75,227	\$ 76,364
Property Taxes		\$ 36,969	\$ 37,341	\$ 37,716
Contract Services		\$ 18,527	\$ 18,807	\$ 19,091
Property Management Fee	3.00%	\$ 24,870	\$ 25,141	\$ 25,649
CAPEX and Replacement Reserves		\$ 41,450	\$ 41,902	\$ 42,748
Debt Service				
Yearly Debt Service		\$ 1,106,464	\$ 1,106,464	\$ 1,106,464
TOTAL EXPENSES		\$ 1,577,819	\$ 1,584,290	\$ 1,591,474
NET OPERATING INCOME		\$ 1,037,148	\$ 1,070,170	\$ 1,116,565

Provide research/market demand data that clearly demonstrates the Project's viability

Industry Trends

One of the top trends in the hospitality industry is staycations and niche properties particularly for Gen X and Gen Y (Millennials) who are seeking experiences over lavish vacations.⁵ Pandemic lock-downs and isolation have spurred demand for wellness, nature travel, work-cation sabbaticals, and other transformative trips.⁷ In Europe where trends in hospitality can emerge and be reported on before the US, studies have shown a growth in local relaxation with friends and family as we have been forced to rediscover our own environments.⁸ An October 2020 research published by Booking.com covering over 28 major markets showed that consumers are evolving from tourists to familiarists as they look to explore their context more fully with 43% of those surveyed intending to explore a new destination within their region.

With respect to the overnight stay element of the Project, data from the Wellness Tourism Association (WTA) revealed that increasing numbers are seeking self-care travel that would help them escape the demands of daily life and return feeling rejuvenated. According to the WTA, wellness tourism is a growing sector and has continued to grow throughout the pandemic.⁹ Beyond social connection, travel is also being elevated as an opportunity for introspection and growth as travelers reflect on the purpose, value and risks of travel with travel consultants focusing on wellbeing, happiness, flow, creativity, play and transformation.¹⁰

Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
\$ 1,323,001	\$ 1,349,705	\$ 1,376,948	\$ 1,404,741	\$ 1,433,095	\$ 1,462,021	\$ 1,491,531
\$ 633,640	\$ 646,429	\$ 659,477	\$ 672,788	\$ 686,368	\$ 700,222	\$ 714,355
\$ 762,787	\$ 778,184	\$ 793,891	\$ 809,915	\$ 826,263	\$ 842,940	\$ 859,954
\$ 54,710	\$ 55,815	\$ 56,941	\$ 58,090	\$ 59,263	\$ 60,459	\$ 61,679
\$ 54,710	\$ 55,815	\$ 56,941	\$ 58,090	\$ 59,263	\$ 60,459	\$ 61,679
\$ (66,150)	\$ (67,485)	\$ (68,847)	\$ (70,237)	\$ (71,655)	\$ (73,101)	\$ (74,577)
\$ 2,762,699	\$ 2,818,462	\$ 2,875,351	\$ 2,933,388	\$ 2,992,596	\$ 3,053,000	\$ 3,114,623
\$ 41,637	\$ 42,122	\$ 42,613	\$ 43,110	\$ 43,613	\$ 44,122	\$ 44,636
\$ 13,350	\$ 13,505	\$ 13,663	\$ 13,822	\$ 13,983	\$ 14,146	\$ 14,311
\$ 29,069	\$ 29,508	\$ 29,954	\$ 30,406	\$ 30,865	\$ 31,331	\$ 31,805
\$ 58,138	\$ 59,016	\$ 59,907	\$ 60,812	\$ 61,730	\$ 62,663	\$ 63,609
\$ 19,379	\$ 19,672	\$ 19,969	\$ 20,271	\$ 20,577	\$ 20,888	\$ 21,203
\$ 77,517	\$ 78,688	\$ 79,876	\$ 81,083	\$ 82,307	\$ 83,550	\$ 84,812
\$ 48,448	\$ 49,180	\$ 49,923	\$ 50,677	\$ 51,442	\$ 52,219	\$ 53,008
\$ 77,517	\$ 78,688	\$ 79,876	\$ 81,083	\$ 82,307	\$ 83,550	\$ 84,812
\$ 38,095	\$ 38,477	\$ 38,864	\$ 39,254	\$ 39,649	\$ 40,047	\$ 40,449
\$ 19,379	\$ 19,672	\$ 19,969	\$ 20,271	\$ 20,577	\$ 20,888	\$ 21,203
\$ 26,166	\$ 26,694	\$ 27,233	\$ 27,783	\$ 28,344	\$ 28,916	\$ 29,499
\$ 43,610	\$ 44,491	\$ 45,389	\$ 46,305	\$ 47,239	\$ 48,193	\$ 49,166
\$ 1,106,464	\$ 1,106,464	\$ 1,106,464	\$ 1,106,464	\$ 1,106,464	\$ 1,106,464	\$ 1,106,464
\$ 1,598,769	\$ 1,606,177	\$ 1,613,700	\$ 1,621,340	\$ 1,629,098	\$ 1,636,977	\$ 1,644,978
\$ 1,163,930	\$ 1,212,285	\$ 1,261,651	\$ 1,312,048	\$ 1,363,498	\$ 1,416,023	\$ 1,469,645

Whether you are a traveler seeking to visit Tucson and have some semblance of a restful, isolated experience, or a Tucsonan seeking a sense of escape without having to depart the city, ALIGN's retreat-like environment offering an oasis feel has been designed to maximize healing and relaxation time rather than having to go on a long trip to achieve that state of mind.

Approximately 40% of all global office workers have returned to the office, and it is unclear to whether or to what extent working from offices will return to pre-pandemic levels with workers expanding upon their idea of their home not only as a place to live but to work, learn and socialize, all from one location.¹¹ ALIGN's incorporation of flexible spaces acknowledges this paradigm shift to increasing remote work caused by the pandemic and believes this is a more practical and resilient use of the space than dedicating a risky amount of square footage to office use which cannot be inhabited or easily modified to other flexible uses.

⁵ 2021 Top Hospitality Industry Trends, available at: <https://hospitalityinsights.ehl.edu/hospitality-industry-trends>

⁷ Mid-Year Update: Three Mega Wellness Trends for Mainstream Hospitality, available at: <https://www.hospitalitynet.org/opinion/4105479.html> (July 2021)

⁸ A New Closer Customer: Why Hotels Must Target Locals, FRAME Magazine, July 2021, available at: <https://www.frameweb.com/article/a-new-closer-customer-why-hotels-must-target-locals>

⁹ Vacations Focusing On Wellness Are Personalized Ways to Better Life, Luxury Portfolio International (Nov 2021), available at: <https://www.luxuryportfolio.com/blog/vacations-focusing-on-wellness-are-personalized-way-to-healthier-life/>

¹⁰ Meaningful Travel, Wunderman Thompson Insights (Feb 2021), available at: <https://www.wundermanthompson.com/insight/meaningful-travel>

¹¹ <https://www.cushmanwakefield.com/en/insights/predicting-the-return-to-the-office>

Local Market Trends

Phoenix and Tucson are gaining ground in national rankings for best places to live¹² and Tucson has been listed a top 10 city with potential to thrive post-pandemic.¹³ Data from Cushman & Wakefield's Q3 2021 Retail Marketbeat reported a positive outlook with retail lease rates holding steady.¹⁴

"Retail investors have begun speculating on commercial property as internet proof properties that include grocery stores, restaurants, medical services and/or salon type service businesses are especially attractive. With interest rates remaining low and prices increasing, those who purchase fixed assets at fixed interest rates will likely see rent increases in the future."

As described above, there is demand for Loop-focused amenities and an unoccupied niche in the immediate vicinity with no retail centers for approximately 1.5-2 miles in all directions.

Retail Rent Analysis

Retail comparables provided by PICOR principal and team retail specialist Rob Tomlinson are shown below.

Table 3

6370 N. Campbell Ave.	Paloma Village Center	1,846 sq-ft	\$32.45 sq-ft NNN
2840-2890 E. Skyline Dr.	Plaza Colonial	1,601 sq-ft	\$35.00 sq-ft NNN
5590 E. River Rd	River Plaza	3,100 sq-ft	\$35.00 sq-ft NNN
3001 E. Skyline Dr.	Fidelity Brokerage	8,347 sq-ft	\$35.00 sq-ft NNN

Mr. Tomlinson provided the following analysis:

" The Paradise Falls property is an ideal site for the ALIGN mixed use development. The Project will incorporate retail, office, residential, lodging, and recreational uses and amenities. The Property is well located near the base of the Santa Catalina Foothills in an area largely underserved by upscale amenities. The location is central to the Tucson Metropolitan area and provides excellent access to both affluent Foothills consumers as well as residents of upper end midtown neighborhoods such as Richland Heights, El Encanto, and other similar neighborhoods. The site is just off Alvernon Way which is a major north/south arterial that serves central Tucson and the lower Foothills and then extends (as Thornydale Rd) into the Oro Valley area. Alvernon Way carries over 20,000 vehicles per day and nearby Fort Lowell Road carries over 26,000 vehicles daily. The Property is on the "going home" side of Alvernon Way for consumers heading back to the Foothills after work. In terms of access and appeal, ALIGN will enjoy a truly unique location right on the Loop and will be one of the very few commercial destinations oriented to this popular amenity. The inclusion of a bicycle shop as a part of the tenant mix will strongly enhance the linkage to the Loop.

Local area demographics are very strong with an Average Household Income within a three-mile radius of \$71,514; 164% of the Average Median Income of Tucson, Arizona (US Census Bureau). Additionally, population density is an estimated 88,790 persons living in that same three-mile radius. Daytime demographics add additional strength to the Project with 49,368 employees (three-mile radius) that help to drive daytime sales; especially food and beverage. And finally, total retail expenditure in this radius is \$1.15 billion annually with educational attainment of forty percent of local residents having a bachelor's degree or higher.

In terms of lease rates, the most appropriate comparable retail properties that compare to the ALIGN project, are Paloma Village Center, Plaza Colonial, River Plaza, and Sunrise Corporate (former Gallery Row). The reason for choosing these properties for comparison is that they respond to demand from the

same consumer as ALIGN will appeal to. These properties lease in the \$30-\$35/square foot/year Triple Net price range and are highly amenitized retail and office environments. All of the comparable properties have similar income and demographic characteristics to the Project and all of the comparable properties are highly successful."¹⁵

Key assumptions of the plan:

- Rent psf \$35 NNN retail upon completion at time of operation. Current comparables support this now. Assumes retail rates will hold steady and grow incrementally as investors have speculated (see e.g., local investors purchase of La Encantada mall).
- Overnight Stay average daily rate (ADR) of \$275 at 75% occupancy. Team member Visit Tucson has shared that Tucson's lodging experiences average ADR and occupancy of \$115 and 60%, respectively, so the team's assumptions are dependent on a higher quality experience and concomitant popularity and higher occupancy which we believe is demonstrated by the Project.
- Event and F&B Net Income of \$725,000. Team member and developer Infinite Concepts is relying on its expertise as a hospitality operator for this key assumption. The design team estimates an occupant load for the Property of 1,500 persons. Based on the Erman brothers' metrics from their Fourth Avenue venture (3,200 sq-ft plus approximately 1,000 sq-ft of outdoor space), they have extrapolated their revenues onto a larger footprint to arrive at this key revenue assumption. Lenders, similar to publicly traded companies on SEC disclosure filings, sometimes require borrowers to disclose the impacts of climate change on the resiliency of their operation. Similarly, with the changes to retail brought by the pandemic, retail lenders are requesting resiliency information regarding the potential impacts of future pandemics on the borrower's ability to repay. We note that in 2020, an Arizona Executive Order reduced bar and restaurant occupancy limits by 50% statewide. This Project would be well positioned to weather any future occupancy or social distancing restrictions with its heavy focus on the outdoors and landscaped environment and resultant high occupancy limit.
- Wellness sector continued growth. The global wellness economy is a \$4.5 trillion market representing approximately 5.5% of global economic output in 2017.¹⁶ It grew 6% annually from 2015-2017 (twice as fast as the global industry average) with growth of 35.1% projected by 2022, reaching \$5.6 trillion. Wellness expenditures are now more than half as large as total global health expenditures (\$7.3 trillion).
- Pima County and Tucson area growth. The region is steadily growing, and this key assumption involves economic resiliency and resource sustainability. Like many out of state investors who have flooded the residential and commercial real estate markets in recent years, we believe that the region and economy will continue to grow, further cementing Tucson as a desirable place to visit and live. The population growth within a 3-mile radius of the Property is expected to grow 0.7% annually through 2026.
- Project resonance. This is perhaps the most important assumption of all: that the Project's environment and identity will resonate with Tucson and become a regional attraction in the Southwest. We believe in the potential for ALIGN to gain recognition as a national destination, similar to how Meow Wolf, an immersive art experience, has risen to become a top reason to visit Santa Fe.

¹² <https://www.azcentral.com/story/money/business/consumers/2021/07/13/best-places-live-study-rank-phoenix-tucson-higher-than-before/7942600002/>

¹³ Ranked: The 10 US Cities Best Positioned to Recover from Coronavirus, <https://www.forbes.com/sites/laurabegleybloom/2020/05/12/ranked-us-cities-coronavirus-recovery/?sh=1ae4d984de92>

¹⁴ Cushman & Wakefield 2021 Q3 Retail Marketbeat, available at: <https://www.cushmanwakefield.com/en/united-states/insights/us-marketbeats/tucson-marketbeats>;

¹⁵ Data from Cushman & Wakefield | PICOR Expanded Profile for the Property

¹⁶ Global Wellness Institute statistics, available at: <https://globalwellnessinstitute.org/what-is-wellness/what-is-the-wellness-economy/>

Summary of Project Viability

The 10 year profit and loss shows that on Year 1, the Project will create 31.3% annual return on equity (before debt service) based on Year 1 net operating income of \$1,037,148 and equity investment of \$6,839,238. The return on equity after debt service is strong at 15.2%. The assumptions in the Plan with the greatest probability of negatively impacting the financial health of the Project are the rent per square foot estimates for the leasable components and also the Event and F&B Net Income. The team has used assumptions that it believes are appropriate, supportable, and achievable in the market in an approach that is neither pie-in-the sky nor overly conservative. Hypothetically, taking a worst-case scenario, if the rent per square foot was reduced from a blended rate of \$33 NNN per square foot to \$25 NNN and further assuming that the annual Event and F&B Net Income were reduced from \$725,000 to \$500,000, the return on equity investment before and after debt service would still be 24% and 7.9%, respectively, thus leaving room for some uncertainties and missed assumptions within Project viability.

Demonstrate committed and qualified tenants/buyers/operators for the completed Project

As described in the *Industyn*, prospective occupant-users who are committed to the success of the Project include Session Yoga, Campfire Cycling, and an observatory managed by the Mount Lemmon SkyCenter; however, these team members have not legally committed through leases or other binding agreements. The Ermans are committed to operating or overseeing the operation of the food and beverage components of the Project. The developer in collaboration with team member Rob Tomlinson, Principal, Cushman & Wakefield | PICOR looks forward to marketing the Project to attract very high quality user-tenants to further elevate the Loop-focused nature of the scheme.



Detail and define the Project's development costs, including all construction costs, soft costs and contingencies.

A detailed development cost budget including soft costs and contingencies is provided in Tables 4 and 5. The total Project cost is \$25,254,967 with \$22,154,878 in hard costs, which, divided by 58,800 sq-ft of buildable space (excludes 150,000 sq-ft of landscaped area), results in a \$377 per square foot development cost.

Table 4

Preliminary Development Budget						
Pre-Development Work	\$	-	\$	60,000.00	\$	60,000.00
Land Purchase	\$	-	\$	-	\$	-
Third-Party Fees from Closing and Initial Funding	\$	-	\$	-	\$	-
Soft Costs	\$	2,095,428.14	\$	-	\$	2,095,428.14
Construction Budget	\$	22,154,877.93	\$	-	\$	22,154,877.93
Leasing Commissions		5.00%		0.00%	\$	71,562.50
Commercial TI Allowance		\$0.00/SF		\$10.00/SF	\$	368,000.00
Office TI Allowance		\$0.00/SF		\$0.00/SF	\$	-
Developer Management Fee		2.00%		0.00%	\$	505,099.36
				Project Total	\$	25,254,967.93

Table 5

Project Soft Costs		Value
Design Costs		
Architecture/ Engineering Fees		\$1,107,744
Telecomm Design		\$0
Streetscape Design		\$0
Estimating		\$0
Signage Design		\$0
A/V Design		\$0
Planning/ Technical Costs		
A/E Reimbursables		\$0
Project Management Fees		\$0
CM@R Pre-Con Services		\$100,189
Soils Report		\$2,500
Traffic Impact Analysis		\$0
Land Acquisition		\$265,000
Materials Testing/Special Inspections		\$50,000
Municipal Fees		\$0
a) Permits		\$150,000
b) Development Plan review		\$0
c) Impact Fee		\$282,996
d) PC Sewer Connection Fees		\$0
e) Tucson Water Connection Fees		\$0
f) SW Gas		\$0
g) Communications Service		\$0
h) Electrical service		\$0
Other Fees		
Survey		\$4,500
Studies		\$2,500
Entitlements		\$100,000
Appraisals		\$10,000
Attorney Fees		\$20,000
		\$2,095,428

CONSTRUCTION BUDGET

Description	Site			AMENITY - Externalize & Chill			RETAIL
	Total	%	230,000 SF \$/S.F.	Total	%	28,500 SF \$/S.F.	Total
DIRECT COST							
0100 General Requirements & Cranes 3.50%		0.00%	\$0.00		0.00%	\$0.00	
0200 Sitework	\$ 1,725,000	47.01%	\$7.50	\$ 28,500	0.29%	\$1.00	\$ 8,800
0300 Substructure		0.00%	\$0.00		0.00%	\$0.00	
0400 Superstructure	\$ 245,000	6.68%	\$1.07	\$ 3,367,855	33.70%	\$118.17	\$ 1,999,806
0500 Exterior Closure		0.00%	\$0.00	\$ 627,250	6.28%	\$22.01	\$ 305,000
0700 Roofing		0.00%	\$0.00	\$ 228,000	2.28%	\$8.00	\$ 220,000
0950 Interior Finishes		0.00%	\$0.00	\$ 3,135,000	31.37%	\$110.00	\$ 880,000
1000 Specialties		0.00%	\$0.00		0.00%	\$0.00	
1100 Equipment and Furnishings		0.00%	\$0.00		0.00%	\$0.00	
1300 Special Construction	\$ 200,000	5.45%	\$0.87	\$ 150,000	1.50%	\$5.28	
1400 Conveying Systems		0.00%	\$0.00	\$ 252,000	2.52%	\$8.84	\$ 110,000
1600 Electrical	\$ 575,000	15.67%	\$2.50		0.00%	\$0.00	
1700 Communications & Security	\$ 115,000	3.13%	\$0.50		0.00%	\$0.00	
SUBTOTAL DIRECT COST	\$ 2,860,000		\$12.43	\$ 7,788,605		\$273.28	\$ 3,523,606
Labor / Material Escalation 3.50%	\$ 100,100	0.00%	\$0.44	\$ 272,601	0.00%	\$9.56	\$ 123,326
Design Contingency 2.00%	\$ 57,200	0.00%	\$0.25	\$ 155,772	0.00%	\$5.47	\$ 70,472
TOTAL DIRECT COST	\$ 3,017,300		\$13.12	\$ 8,216,978		\$288.32	\$ 3,717,404
INDIRECT COSTS							
Preconstruction Fee 0.55%	\$ 16,595	0.45%	\$0.07	\$ 45,193	0.45%	\$1.59	\$ 20,446
General Conditions 3.25%	\$ 119,266	3.25%	\$0.52	\$ 324,795	3.25%	\$11.40	\$ 146,939
PL & PD Insurance / Builders Risk 1.75%	\$ 64,220	1.75%	\$0.28	\$ 174,890	1.75%	\$6.14	\$ 79,121
G.C. Bond 1.00%	\$ 36,697	1.00%	\$0.16	\$ 99,937	1.00%	\$3.51	\$ 45,212
Contractors Contingency 5.00%	\$ 150,865	4.11%	\$0.66	\$ 410,849	4.11%	\$14.42	\$ 185,870
Sales Tax (Pima County) 3.97%	\$ 145,504	3.97%	\$0.63	\$ 396,250	3.97%	\$13.90	\$ 179,265
Contractors G.H. & P. 3.25%	\$ 119,266	3.25%	\$0.52	\$ 324,795	3.25%	\$11.40	\$ 146,939
SUBTOTAL INDIRECT COSTS	\$ 652,413	17.78%	\$2.84	\$ 1,776,708	17.78%	\$62.34	\$ 803,792
OWNERS CONTINGENCY	\$ -	0.00%	\$0.00	\$ -	0.00%	\$0.00	\$ -
TOTAL PROJECT CONSTRUCTION COSTS	\$ 3,669,713	100.00%	\$15.96	\$ 9,993,686	100.00%	\$350.66	\$ 4,521,196

- Eat & Shop	OUTDOOR PAVILION - Play			HOTEL - Refresh & Heal			Project Total			
	8,800 SF \$/S.F.	Total	%	7,500 SF \$/S.F.	Total	%	14,000 SF \$/S.F.	Total	%	58,800 SF \$/S.F.
0.00%	\$0.00		0.00%	\$0.00		0.00%	\$0.00	\$ -	0.00%	\$0.00
0.19%	\$1.00	\$ 7,500	0.15%	\$1.00	\$ 14,000	0.35%	\$1.00	\$ 1,776,300	8.02%	\$30.21
0.00%	\$0.00		0.00%	\$0.00		0.00%	\$0.00	\$ -	0.00%	\$0.00
44.23%	\$227.25	\$ 2,475,066	48.28%	\$330.01	\$ 1,139,750	28.71%	\$81.41	\$ 6,752,411	30.48%	\$114.84
6.75%	\$34.66	\$ 575,000	11.22%	\$76.67	\$ 225,500	5.68%	\$16.11	\$ 1,157,750	5.23%	\$19.69
4.87%	\$25.00	\$ 187,500	3.66%	\$25.00	\$ 175,000	4.41%	\$12.50	\$ 623,000	2.81%	\$10.60
19.46%	\$100.00	\$ 750,000	14.63%	\$100.00	\$ 1,540,000	38.79%	\$110.00	\$ 5,555,000	25.07%	\$94.47
0.00%	\$0.00		0.00%	\$0.00		0.00%	\$0.00	\$ -	0.00%	\$0.00
0.00%	\$0.00		0.00%	\$0.00		0.00%	\$0.00	\$ -	0.00%	\$0.00
0.00%	\$0.00		0.00%	\$0.00		0.00%	\$0.00	\$ 350,000	1.58%	\$5.95
2.43%	\$12.50		0.00%	\$0.00		0.00%	\$0.00	\$ 362,000	1.63%	\$6.16
0.00%	\$0.00		0.00%	\$0.00		0.00%	\$0.00	\$ 575,000	2.60%	\$9.78
0.00%	\$0.00		0.00%	\$0.00		0.00%	\$0.00	\$ 115,000	0.52%	\$1.96
\$400.41	\$ 3,995,066		\$453.98	\$ 3,094,250		\$221.02	\$ 17,266,461		\$293.65	
0.00%	\$14.01	\$ 139,827	0.00%	\$15.89	\$ 108,299	0.00%	\$7.74	\$ 604,326	0.00%	\$10.28
0.00%	\$8.01	\$ 79,901	0.00%	\$9.08	\$ 61,885	0.00%	\$4.42	\$ 345,329	0.00%	\$5.87
\$422.43	\$ 4,214,795		\$478.95	\$ 3,264,434		\$233.17	\$ 18,216,116		\$309.80	
0.45%	\$2.32	\$ 23,181	0.45%	\$2.63	\$ 17,954	0.45%	\$1.28	\$ 100,189	0.45%	\$1.70
3.25%	\$16.70	\$ 166,599	3.25%	\$18.93	\$ 129,034	3.25%	\$9.22	\$ 720,034	3.25%	\$12.25
1.75%	\$8.99	\$ 89,707	1.75%	\$10.19	\$ 69,480	1.75%	\$4.96	\$ 387,710	1.75%	\$6.59
1.00%	\$5.14	\$ 51,261	1.00%	\$5.83	\$ 39,703	1.00%	\$2.84	\$ 221,549	1.00%	\$3.77
4.11%	\$21.12	\$ 210,740	4.11%	\$23.95	\$ 163,222	4.11%	\$11.66	\$ 810,806	4.11%	\$15.49
3.97%	\$20.37	\$ 203,251	3.97%	\$23.10	\$ 157,422	3.97%	\$11.24	\$ 878,441	3.97%	\$14.94
3.25%	\$16.70	\$ 166,599	3.25%	\$18.93	\$ 129,034	3.25%	\$9.22	\$ 720,034	3.25%	\$12.25
17.78%	\$91.34	\$ 911,340	17.78%	\$103.56	\$ 705,849	17.78%	\$50.42	\$ 3,938,762	17.78%	\$66.99
0.00%	\$0.00	\$ -	0.00%	\$0.00	\$ -	0.00%	\$0.00	\$ -	0.00%	\$0.00
100.00%	\$513.77	\$ 5,126,134	100.00%	\$582.52	\$ 3,970,283	100.00%	\$283.59	\$ 22,154,878	100.00%	\$376.78

If the project is to be developed in phases, provide all of the above for each phase.

The project is not being developed in phases. Each of the four components will be constructed concurrently.

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6. PROJECT FINANCING

Funding Strategy for Project costs:

As a developer operating over 50% of the Property's total land area, Infinite Concepts is eligible for an SBA loan with a maximum project component of \$10,000,000, which, in combination with a conventional commercial loan, would fund the Project total as show in Table 6 below:

Retail Financing - SBA	\$ 10,000,000.00	LTV
Loan Amount	\$ 8,500,000.00	85%
Equity	\$ 1,500,000.00	15%
Years	25	
Loan Percentage	4.00%	
Payment (Monthly)	(\$44,866.13)	
Real Estate Financing - Conventional	\$ 15,254,967.93	LTV
Loan Amount	\$ 9,915,729.15	65%
Equity	\$ 5,339,238.77	35%
Years	30	
Loan Percentage	4.00%	
Payment (Monthly)	(\$47,339.21)	
TOTAL FINANCING	\$ 25,254,967.93	LTV
Loan Amount	\$ 18,415,729.15	73%
Equity	\$ 6,839,238.77	27%
Monthly Debt Service	(\$92,205.34)	

Developer Infinite Concepts will fund the Project during the entitlement, permitting, and land acquisition phase (03/22 - 04/223) and close construction financing thereafter so that onsite work can commence as set forth in the Project Construction Timeline (pages 48-49) and within the Development Agreement section (page 61).

CITE OTHER PROJECTS

Every member of the financing team (Chase, National Bank of Arizona, BDFC, and Tucson IDA) has successfully worked with Infinite Concepts. Loans with these banks have either been paid off or are in good standing for the developer's facility on Fourth Avenue. The Ermans' business on Fourth Avenue has consistently shown robust growth and innovation, building community relationships including with bank leadership over its years of its operation. While premature for loan commitments to be made, senior lenders at these institutions have stated that the Project would be viewed as an expansion of the Ermans' existing operation rather than a startup, increasing the Project's capability to gain financing as some institutions have limited or ceased financing startup businesses in hospitality due to the uncertainty brought with the pandemic. The Ermans' track record in a very competitive retail environment and ability to compete against regional and national brands supports the proposition that the Project and team as a whole can finance and execute a retail-heavy plan.

Infinite Concepts has not previously partnered with prospective equity contributors Bright Properties or Oliver Hospitality but has longstanding relationships with their leadership who have expressed interest in the venture. Since Ermanos opened in 2015, and particularly with the opening of Portal in 2020, several individuals including developers have approached the Ermans seeking to invest in their hospitality endeavors. The developer will draw on its deep network in the community to successfully equitize and finance the Project as it has for its existing operation. Infinite Concepts is confident in its ability to attract and commit investors through the strength and validity of ALIGN as a game changer in hospitality by being on the leading edge of outdoor social environments and wellness. Importantly, the developer has already made a significant investment in the intellectual property for its trademark ALIGN and supporting mark MIND BODY SOUL to ensure that its brand is scalable. This opens much greater opportunities for investors seeking to invest in a brand with global potential rather than a single mixed use real estate project. Infinite Concepts has also invested in additional intellectual property for its planned bar operations at the Project; however, such marks have not been disclosed in this submission. Team member Anne Aikman-Scalese, an experienced intellectual property attorney at Lewis Roca, has led this effort with attorney Mark Erman.

Proposer's financial capacity to execute, complete, and operate the Project successfully.

Infinite Concepts' track record for designing, completing, and operating projects includes three builds (1) Ermanos (2015), (2) Portal (2020), and (3) the pavilion at Ermanos (2021). Over \$1 million has been invested in their operation through a combination of financing and cash flowed (self-financed) improvements. To date the Ermans have not needed to seek outside equity investment to fund this robust growth. As stated above, attorney Mark Erman as General Counsel has led financing, entitlement, and permitting efforts for these successfully completed projects which are now operational and are community favorites. Eric Erman serves as chief of operations, coordinating efforts across multiple disciplines to ensure that the business runs smoothly. Although larger than it's current retail operation, the Ermans have assembled a team of quality and size for this Project to match its scale. They are resourced and ready for the undertaking ahead. Additional information regarding the Proposer's financial capacity to execute the Project can be provided upon request.



7. DEVELOPMENT AGREEMENT

The Development Agreement ("DA") will be the roadmap of this transaction, and a key component to the success of the Project. Specifically, the DA will define the County's role as a strategic partner in the Project's development and give the County assurances that the proposed Project is ultimately constructed to meet the RFP's vision and goals. For IC, the DA will allow it to acquire the Property and to build flexibility into the Project's entitlement, design, and construction phases to achieve maximum success.

Proposer's financial capacity to execute, complete, and operate the Project successfully.

The DA's structure will be organized in three primary stages of the Project: the design and approval phase ("Design Phase"), the financing and construction phase ("Construction Phase"), and the operations and maintenance phase ("Operations Phase").

Design Phase: The Design Phase will allow Infinite Concepts (referred herein as "IC") to obtain zoning entitlements for the Project, refine the design, prepare development and construction plans, and obtain approvals from the City. During the Design Phase, the County will own the Property, and IC will lease the property under an agreement that provides IC with time to obtain entitlements before paying rent, and provides IC with a right to purchase upon satisfaction of certain benchmarks.

IC will take on the obligation to rezone the Property, including the financial risk of the rezoning process. The County will be an active partner in the rezoning and assist when possible to obtain the Project's entitlements. By being involved in the process, the County can ensure the rezoning will include the correct mix of uses and standards necessary to construct the Project as contemplated by the RFP. As the rezoning will be public process, it could result in changes to the Project design. The County's involvement during the rezoning will be crucial so that IC has the flexibility and creativity to adjust the Project design while staying true to the RFP's overall intent.

Upon obtaining rezoning approvals, IC will proceed with plans for the Project's grading, engineered site

planning, and construction drawings, including obtaining City approval for these documents. During this phase, the County will continue as a key partner with approval rights over material changes to the Project's design. This will allow the County to continue to ensure that the Project ultimately meets the goals in this RFP.

Construction Phase: In the Construction Phase, IC will obtain final construction financing for the Project, and initiate construction. During this phase the County will have the ability to approve all significant Project design changes made during construction of the Project.

To satisfy potential lender requirements, IC requests that it have an option to purchase the Property during this phase. Any conveyance would include a reversionary right in favor of the County providing assurances that the Project will be constructed as designed, and ultimately meet the goals expressed in this RFP. This ownership structure would only be explored if it is required by a lender or helps provide construction financing that will contribute to the Project's success.

Operations Phase: The Operations Phase will allow IC to activate and operate the Project. Once construction is substantially complete and IC has met its obligation to construct the Project in accordance with the RFP, the County will convey the Property to IC, allowing it to begin operations at the Property and fulfilling the goals set forth in this RFP.

IC plans to retain ownership of the Property and Project, and lease out all commercial spaces for the Project's contemplated programming except for the spaces IC intends to operate as described in the Proposed Development Elements section (page 29).

OWNERSHIP STRUCTURE

IC is proposing an ownership arrangement designed to accomplish two primary goals: 1) provide the County assurances that the RFP goals are realized at the Project's completion; and 2) provide IC a flexible purchase structure that will help make the Project successful. Specifically, IC proposes a Lease Purchase structure that will help defer land costs through construction, while allowing the County to be an active partner in the Project.

As described above, during the Design Phase the County will maintain full ownership of the Property while IC will have contractual rights to develop the Property subject to it obtaining entitlements. During the Construction Phase, the lease agreement will allow IC to take possession of the Property so it can complete construction while allowing the County to maintain ownership to ensure the Project is built as contemplated. IC will pay rent to the County, which rent payments will be applied to the Property's purchase price. Once Project construction is complete, the County will convey the Property to IC.

This proposed ownership structure will apply to the entire Property, as the Project is proposed as one, unified development.

SUB-AGREEMENTS

The DA will define the overall structure of the Project, and the following agreements will effectuate the transaction:

- A Lease and Purchase Agreement between the County and IC will govern the initial lease and ultimate conveyance of the Property from the County to IC.
- A Special Warranty Deed will convey the Property from the County to IC.
- Public Access Easements will provide public access to the Property in areas that are directly adjacent to the Loop, as agreed to by the parties.

- A maintenance and operating agreement between the County and IC will define obligations and rights for the areas of the Project adjacent to the Loop, if necessary.
- Construction Contract between IC and its general contractors related to the Project's construction.

The Project will likely be developed as one unified Project, so there will not be a need for multiple leases and/or conveyance documents.

COSTS AND REVENUE ALLOCATION

IC is proposing to assume almost all of the up-front costs of the Project, including entitlements, design, permitting, and construction financing. The County will have very little costs for the Project, and in exchange will offer reasonable and flexible acquisition timing and terms for the Property, including a land cost based on the RFP appraisal. Once constructed, IC will operate the Property and realize the revenues generated by the Project.

RISK ALLOCATION AND MITIGATION

The County's vision for this Property is unique: an intersection of the public recreational uses of the Loop with retail, restaurant and other commercial uses that will complement the Loop. If this vision is coupled with a highly thoughtful project design, as is proposed by IC, it will be successful. Like all development projects, the Project will come with challenges and risk; as the developer IC will assume much of this risk. As the selling landowner, the County will have little risk as IC will provide it assurances throughout the process that the Project will be developed as described in the RFP (and as modified in the rezoning and design processes). IC also believes that the creation of the Project Committee, described on page 36, will be a crucial tool to address the unforeseen challenges that all projects encounter, thus helping IC and the County manage risks effectively.

TRANSACTION MONETARY CONSIDERATION

IC proposes a rental rate of \$1500 per month, with all rent payments to be credited towards the purchase price. The purchase price will be equal to the RFP's appraised value of \$265,000.00, the balance of which will be paid at the closing of the conveyance of the Property to IC. This monetary consideration is adequate based on the County's appraisal, which takes into account the unique constraints and added risk placed upon the Property by the RFP's uses and purpose.

RELATIONSHIP WITH COUNTY

If IC is awarded the RFP, it will work with its land use counsel, Lazarus & Silvyn, to negotiate and finalize the DA. Lazarus & Silvyn has extensive experience in working with jurisdictions, including the County, to successfully negotiate development agreements similar to the DA that will be required for the Project.

APPENDIX (RESUMES + SAMPLE PROJECTS)

CLIENT DEVELOPER



WHO ARE THE ERMAN BROTHERS AND WHY ARE THEY HERE?
Detroit Bred | Tucson Grown

From sibling rivals to business partners, the Erman brothers' path to this point has been unscripted. They are the sons and grandsons of tinkerers, enthusiasts, and merchants. Their father inherited the workshop of his father who owned a furniture business in Detroit called Erman's Bedroom Center, and their great-grandparents emigrated from Eastern Europe to the U.S. in the early 1900s in search of better lives.

Mark, 42, majored in geology at the University of Michigan, then working as a geologist at Bureau Veritas, a global environmental consulting firm. He returned to school at Wayne State University Law School, graduating *cum laude* in 2007, and began work as an environmental attorney at Troutman Pepper. During this time, Mark and Eric homebrewed beer and thought about starting a venture. After visiting Tucson and seeing the mountains, stars and community, Mark moved here with his family in 2011. The brothers opened Ermanos in 2015. Mark serves as general counsel for the enterprise, charting direction, drafting plans, securing financing and permits, and handling construction oversight. He enjoys outdoor exploration, rocks, philosophy, and time for reflection.

Eric, 36, majored in psychology at the University of Michigan and followed his passion for beer and alchemy into the commercial brewing industry, honing his craft as a brewer in Detroit, Denver, Boulder, and Portland before moving to Tucson to launch Ermanos. With his mechanical and technical foundation, Eric continues to be driven as a life-long learner in pursuit of new skills and wisdom as director of operations and marketing, among other roles. He is equanimous, energetic, and leads nearly 50 employees with warmth, integrity, and humor. Eric enjoys chess, photography, music, and nature.

For several years, the Erman brothers have been developing a vision for a new hospitality concept and searching for a suitable location while continuing to build experience. The Portal Cocktails space with its heavy dose of design was a successful lean experiment, proving up the benefits of enhanced social environments for our well being. Ermanos received an AIA Arizona award for interior design, and Portal was nominated for best concept and lighting in the Americas region by the international Restaurant & Bar Design Awards. In 2020 after Portal was built, Mark reconnected with high school friend Jaron Lubin, who introduced the brothers to his wife and creative partner, Helen Han. With unity of purpose, the group has built a team with global capabilities and local roots that is committed to a multi-year collaborative effort.

The brothers operate a creative-led organization. They love this community and have been reflecting on what is needed, diving deeper into a realm where hospitality intersects meaningful built environments. Through their efforts since 2015, it is evident that Tucson believes in them. They are resourced and ready for the undertaking ahead—exuberant to create a precedent in Tucson that benefits the community with this opportunity breathing life into their aspirations.



Ermanos Bar, designed by Rob Paulus Architects in 2014 and opened in 2015, was the beginning of their journey into architecture in hospitality. The space received two AIA awards for interior architecture.



The Pavilion at Ermanos (June 2021) is protective of guests while offering multiple moods through animated lighting scenes and a light filtering shell.



Portal Cocktails, a cozy space designed to evoke happiness and connection with others, opened in 2020. The space was featured in Interior Design magazine and a finalist in the London-based international Bar & Restaurant Design Awards.

ARCHITECTURE + DESIGN

DESIGN TEAM



Helen Han, AIAS
Principal / Project Manager
HelenHanCreative, LLC
Brooklyn, NY

Helen Han is Principal of Helen Han Creative, a multifaceted design firm based in Brooklyn, New York. Her work focuses on the experiential dimension of architecture and the articulation and unfolding of narratives through various modes of representation. Previous to the formation of HelenHanCreative in 2018, she was a designer at the avant-garde and award-winning firm, Mack Scogin Merrill Elam Architects for nearly 16 years - with whom she continues to collaborate on specialty projects. She has worked with a diverse set of clients including architecture, urban design and landscape architecture firms such as SOM, AECOM, Morphosis, Weiss/Manfredi, Safdie Architects, and Reed Hilderbrand. Along with her practice, she is also a committed educator, co-teaching an architecture studio course with Mack Scogin at the Harvard Graduate School of Design for the past 12 years. She will serve as the Design Lead and Project Manager.

SELECTED PROJECTS

HARVARD COMMON SPACES PROJECT

Onsite Design Lead for the large scale master plan project for Harvard University with Mack Scogin Merrill Elam Architects in collaboration with landscape architecture firm, Michael Van Valkenburgh Associates. The project sought to identify and develop a series of campus gathering places, both within buildings and within the landscape, that would increase the opportunities for informal interaction for the entire campus community.

TULSA RIVERFRONT PARK - A GATHERING PLACE

Concept Design team member for two out of the three major buildings at the Tulsa Riverfront Park : Williams Lodge and ONEOK Boathouse. Each building embraces the powerful park landscape and in a combination of traditional modernist strategies which incorporates Oklahoma's rich, natural material palette.

CARNEGIE MELLON UNIVERSITY – GATES CENTER FOR COMPUTER SCIENCE AND HILLMAN CENTER FOR FUTURE GENERATION TECHNOLOGIES

WELLESLEY COLLEGE – LULU CHOW WANG CAMPUS CENTER AND DAVIS GARAGE

KAOHSIUNG MARITIME CULTURAL & POPULAR MUSIC CENTER INTERNATIONAL COMPETITION

MUSEUM OF THE SECOND WORLD WAR INTERNATIONAL COMPETITION



images courtesy of MSME Architects

ARCHITECTURE + DESIGN



Jaron Lubin, AIAS
Advisor to HelenHanCreative, LLC
Partner Safdie Architects
Somerville, MA

Jaron Lubin is a Design Partner at the internationally acclaimed Architecture and Urban Design Practice Safdie Architects, based in Somerville, Massachusetts.

Lubin's passion for complex geometry and progressive methodologies is evident in the large, three-dimensional, urban projects Safdie Architects delivers globally. With over 20 years of experience, Lubin plays a critical role in the research, fellowship, teaching and architectural exploration of the firm.

Jaron's building designs have been recognized with two Singapore President's Design Awards among many other accolades. A graduate of the University of Michigan and distinguished Alumni of UCLA, he is a frequent writer, juror and lecturer, travelling internationally to share the work of the firm.

Jaron serves as a supporting design advisor to the project together with his partner Helen Han.

SELECTED PROJECTS

JEWEL CHANGI AIRPORT SINGAPORE (COMPLETED)

Lead designer with Moshe Safdie. 1,000,000sf mixed use aviation and commercial center at Singapore Changi Airport. Selected International Design Competition. Voted Best Airport Facility in the World.

MARINA BAY SANDS SINGAPORE (COMPLETED)

Project Architect Sands Skypark. 1 hectare landscape park which sits atop the 55 storey Marina Bay Sands Integrated Resort.

QUITO RESIDENTIAL TOWER (UNDER CONSTRUCTION)

EDITION HOTEL SINGAPORE (UNDER CONSTRUCTION)

SKY HABITAT SINGAPORE (COMPLETED)

Design Architect. 600,000sf residential development with 508 units.

THE NATIONAL ART MUSEUM OF CHINA.

(SHORTLISTED INTERNATIONAL DESIGN COMPETITION)



images courtesy of Safdie Architects

ARCHITECTURE + DESIGN

ARCHITECT OF RECORD



ROBIN SHAMBACH

PRINCIPAL, AIA LEED *AP
Project Manager
BWS ARCHITECTS

With over 36 years of professional practice in Arizona, Robin Shambach is the Managing Principal with responsibility for financial stability and successful operation of the firm. But true to the philosophy of BWS Architects, she maintains direct involvement as Project Manager for most of the firm's work, providing day-to-day communication with clients and design teams, responsible for the schedules, budgets and overall success of each project. A skilled technical architect with a strong design sense, she contributes to projects in many different ways: project manager, project architect, and construction administrator. Robin has strong communication skills and experience working on complex projects. She has developed a reputation for complete, caring attention to her work, from planning through to construction completion.

Robin provides overall leadership, ensures resources are available to the project team, and is responsible for formal communications with project owner, including contractual issues. As Project Manager she will be your Point-of-Contact and monitor schedule and budget and making sure the obligations of the team are met.

EDUCATION

- BACHELOR OF ARCHITECTURE,
THE UNIVERSITY OF ARIZONA, 1985

REGISTRATION + CERTIFICATIONS

- AZ REGISTRATION NO. 23533
- LEED ACCREDITED PROFESSIONAL

RECENT AWARDS + AFFILIATIONS

- AIA ARIZONA, PAST PRESIDENT, 2017-2018
- CORNERSTONE BUILDING FOUNDATION FIRM OF THE YEAR AWARD, 2015/2019
- 2021 AIA ARIZONA PRESIDENTIAL CITATION AWARD
- 2014 AIA ARIZONA PRESIDENTIAL COMMENDATION HONORS
- 2014 AIA ARIZONA FIRM OF THE YEAR AWARD
- AIA ARIZONA DIRECTOR 2012-2016
- AIA SOUTHERN ARIZONA CHAPTER MEMBER, PAST PRESIDENT 2007
- AIA STATE COMMITTEE COALITION FOR SCHOOL FACILITIES, MEMBER
- MFA BOARD MEMBER + PAST PRESIDENT 2015

Esmond Station Regional Park Master Plan + Historic Bldg Stabilization

PIMA COUNTY | VAIL, AZ | 282 ACRES | 3,500 SF BLDG | \$49.5 ESTIMATED
Esmond Station Regional Park is a 282-acre park located in Vail, Arizona, east of Tucson. The park is undeveloped but includes several old structures associated with historic Esmond Station, a stop along the original Southern Pacific Railroad line through Southern Arizona.

The Master Plan will serve as a guide for phased development of the park, and as the basis for individual design & engineering projects. Phase one included the Esmond Station Library, now named the W. Anne Gibson Public Library. See the following page for more information.

3D SKETCH RENDERING



- W. ANNE GIBSON PUBLIC LIBRARY (ESMOND STATION LIBRARY)
PIMA COUNTY | VAIL, AZ | 9,000 SF | \$2.7 M
- FLOWING WELLS PUBLIC LIBRARY
PIMA COUNTY | TUCSON, AZ | 4,800 SF | \$1.3 M
- MARTHA COOPER PUBLIC LIBRARY + LEARNING CENTER
PIMA COUNTY | TUCSON, AZ | 7,700 SF | \$1.2 M
- ECKSTROM-COLUMBUS LIBRARY EXPANSION + RENOVATION
PIMA COUNTY | TUCSON, AZ | 3,200 SF EXPANSION | 9,609 SF RENO | \$868,000
- PUBLIC DEFENSE SERVICES + OFFICE OF CHILDREN'S COUNSEL BUILDINGS
PIMA COUNTY | TUCSON, AZ | 23,500 SF | \$6.1 M
- PICTURE ROCKS POOL
PIMA COUNTY CULTURAL RESOURCES | PICTURE ROCKS, AZ | 6,793 SF | \$1.2 M

- NARANJA PARK MASTER PLAN UPDATE
TOWN OF ORO VALLEY, AZ | PARK + SITE DEVELOPMENT 13.66 ACRES
- CHERRYBELL HEALTH CENTER
EL RIO HEALTH | TUCSON, AZ | 50,421 SF | \$12 M
- SOUTHEAST CLINIC II EXPANSION + RENOVATION
EL RIO HEALTH | TUCSON, AZ | 19,000 SF EXPANSION | 17,844 SF RENO | \$7.5 M | LEED™ CERTIFIED
- SAN XAVIER DISTRICT GOVERNMENTAL, ELDERS, + COMMUNITY ACTIVITY CENTERS
TOHONO O'ODHAM NATION | TUCSON, AZ | 49,200 SF | \$13.6 M | LEED™ GOLD
- EDITH BALL ADAPTIVE RECREATION + AQUATIC CENTER
CITY OF TUCSON PARKS + RECREATION | TUCSON, AZ | 16,275 SF | \$4.7 M



Edith Ball Adaptive Recreation + Aquatic Center

CITY OF TUCSON PARKS + RECREATION | 16,275 SF | \$4.7 M
The initial desired building program for this project called for a fully enclosed aquatic center, but the design team was faced with the challenge of providing a protected aquatic facility that was not only inadequately budgeted for construction costs, but also faced with projected operational utility costs that far exceeded the budget expectations of the City for heating, air conditioning and ventilation.

The BWS design team proposed an innovative approach to fulfilling the programmatic needs in an acceptable aquatic environment for the disabled users – a fabric-covered outdoor swimming facility that requires no energy costs other than lighting at night. The goal of providing an attractive identity for the facility that evokes recreational rather than therapeutic activities is achieved by the 80-foot high tensile structure surrounded by colorful support buildings. The lap pool and recreational pool are contained within the same "vessel" for reasons of economy, but with enough separation to insure swimmers' safety. The large therapy pool required a much higher water temperature so it is in an enclosed structure.

- EDITH BALL ADAPTIVE RECREATION + AQUATIC CENTER
CITY OF TUCSON PARKS + RECREATION | TUCSON, AZ | 16,275 SF | \$4.7 M
- SUN CITY WELLNESS AND FITNESS CENTER CONCEPT DESIGN
SUN CITY VISTOSO COMMUNITY ASSOCIATION | ORO VALLEY, AZ | 17,700 SF | \$2.2 M
- GRAND CANYON DEPOT RAILWAY CAFE + GIFT SHOP RENOVATIONS
XANTERRA PARKS + RESORTS | WILLIAMS, AZ | 15,500 SF | \$1.5 M
- PAYSON ADMINISTRATION + RANGER STATION FACILITY
US FOREST SERVICE | PAYSON, AZ | 13,500 SF | \$5.3 M

ARCHITECTURE + DESIGN



FRANK SLINGERLAND

PRINCIPAL, AIA NCARB LEED *AP
Project Planner + Designer
BWS ARCHITECTS

Frank has over 30 years of experience in the planning, programming and design of public facilities of all types. In all of his work, Frank strives to create healthy environments that foster collaboration, encourage interaction, and aesthetically and functionally meet the needs of those who learn, work, and play within them. He is a sensitive designer concerned with appropriately responding to context and generating creative solutions.

Frank is responsible for planning and design, leading stakeholders, the BWS and consultant team through an integrated process that addresses functionality and aesthetics. He works with the client to develop planning, form concepts and generate alternative options for consideration.

EDUCATION

- MASTER OF ARCHITECTURE
THE UNIVERSITY OF ARIZONA, 1991
- BACHELOR OF ARCHITECTURE
THE UNIVERSITY OF ARIZONA, 1990

REGISTRATION + CERTIFICATIONS

- AZ REGISTRATION NO. 28630
- U.S. GREEN BUILDING COUNCIL LEED ACCREDITED PROFESSIONAL
- NCARB (NATIONAL COUNCIL OF ARCHITECTURAL REGISTRATION BOARDS) #64865

AFFILIATIONS

- AMERICAN INSTITUTE OF ARCHITECTS MEMBER
- U.S. GREEN BUILDING COUNCIL GOVERNING BOARD, MEMBER
- ASSOCIATION FOR LEARNING ENVIRONMENTS (AALE), PAST PRESIDENT, AZ CHAPTER

PRESENTER AT MAKERSPACES:

- AN ACTIVE LEARNING CONFERENCE
- "PLAYING IS LEARNING" + "21ST CENTURY SPACES INSPIRING 21ST CENTURY LEARNING"

ADJUNCT PROFESSOR

- THE UNIVERSITY OF ARIZONA COLLEGE OF ARCHITECTURE & LANDSCAPE ARCHITECTURE

AWARDS

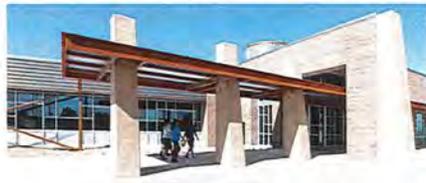
- AMERICAN INSTITUTE OF ARCHITECTS AWARD FOR DISTINGUISHED ARCHITECTURAL DESIGN; 2000, 2006, 2008, 2019.
- AIA / NATIONAL CONCRETE MASONRY INSTITUTE AWARD FOR DESIGN EXCELLENCE, 2001

*Personal Experience

- **ESMOND STATION REGIONAL PARK MASTER PLAN + HISTORIC BUILDING STABILIZATION**
PIMA COUNTY | VAIL, AZ | PARK + SITE DEVELOPMENT 282 ACRES
- **W. ANNE GIBSON PUBLIC LIBRARY (ESMOND STATION LIBRARY)**
PIMA COUNTY | VAIL, AZ | 9,000 SF | \$2.7 M
- **ECKSTROM-COLUMBUS LIBRARY EXPANSION + RENOVATION**
PIMA COUNTY | TUCSON, AZ | 3,200 SF EXPANSION | 9,609 SF RENO | \$868,000
- **PUBLIC DEFENSE SERVICES + OFFICE OF CHILDREN'S COUNSEL BUILDINGS**
PIMA COUNTY | TUCSON, AZ | 23,500 SF | \$6.1 M
- **NARANJA PARK MASTER PLAN UPDATE**
TOWN OF ORO VALLEY, AZ | PARK + SITE DEVELOPMENT 13.66 ACRES
- **CHERRYBELL HEALTH CENTER**
EL RIO HEALTH | TUCSON, AZ | 50,421 SF | \$12 M
- **SOUTHEAST CLINIC II EXPANSION + RENOVATION**
EL RIO HEALTH | TUCSON, AZ | 19,000 SF EXPANSION | 17,844 SF RENO | \$7.5 M | LEED™ CERTIFIED
- **SAN XAVIER DISTRICT GOVERNMENTAL, ELDERS, + COMMUNITY ACTIVITY CENTERS**
TOHONO O'ODHAM NATION | TUCSON, AZ | 49,200 SF | \$13.6 M | LEED™ GOLD

San Xavier District Governmental, Elders, + Community Activity Centers

TOHONO O'ODHAM NATION | TUCSON, AZ | 49,200 SF | \$13.6 M | LEED™ GOLD
Located just steps away from Southern Arizona's most well-known building, the San Xavier Mission, this 37,200 SF facility accommodates 13 administrative departments, historic archives, conference and training spaces, artifact display areas, warehouse, and a council chamber, fully equipped with a state-of-the-art audio visual system. The design reflects the cultural traditions of the community as a keeper of the land and its water resources and acts as a sort of "living room" for tribal members. The community was invited to help construct parts of the building. One example required gathering saguaro ribs, cutting them to appropriate lengths, installing them into pre-made steel frames, and housing them into place as acoustical ceiling planes in the main building corridor.



The Owner wished to provide a positive, inviting, and well-designed community building without clashing with or being seen as overbearing to the Mission. The solution was to employ a material palette consisting of organic materials and colors that allow the building to blend with the natural context. Additionally, the two-story building is carved into the sloping site so that only a single story appears on the public side, substantially lower in height than the adjacent mission. This also allowed the building to open up to views of green fields and the distant mountains to the north.

- **PAYSON ADMINISTRATION + RANGER STATION FACILITY**
US FOREST SERVICE | PAYSON, AZ | 13,500 SF | \$5.3 M
- **SUN CITY WELLNESS AND FITNESS CENTER CONCEPT DESIGN**
SUN CITY VISTOSO COMMUNITY ASSOCIATION | ORO VALLEY, AZ | 17,700 SF | \$2.2 M
- **GINNY L. CLEMENTS ACADEMIC CENTER + THERAPY POOLS**
THE UNIVERSITY OF ARIZONA | TUCSON, AZ | 17,600 SF | \$5.6 M
- **UDALL SENIOR CENTER***
CITY OF TUCSON PARKS + RECREATION | TUCSON, AZ | 9,067 SF | \$1.8 M



Marana Multi-Generational Recreation Center Concept Design

TOWN OF MARANA, AZ | 55,000 SF | \$30 M
The proposed Multi-Generational Community Center will consist of active use spaces including a gymnasium, a walking / jogging track, weight training areas, cardio fitness areas, functional training areas, group exercise rooms, a fitness studio, and associated storage areas. Also provided will be community spaces including a large community room that can be divided into smaller spaces, a classroom with a stage, a crafts studio, an active adult lounge, a drop-in child watch room, a prep / catering kitchen, and associated storage areas. Supporting these active use and community spaces will be a front desk / lobby for access control, office space, locker rooms, universal changing rooms, restrooms, vending areas, a maintenance office with work rooms, and custodial closets. Also included are outdoor elements such as lighted sports fields, lighted sport courts, playgrounds, and community gathering areas.

The proposed year-round aquatic facility will feature a 50-meter x 25-yard pool with associated deck areas and covered spectator bleachers. The complex will also include a shallower recreation pool as needed for activities such as water aerobics, water volleyball, learn-to-swim lessons, pool-based recreation programs, and similar fitness / recreational activities.

- **GRAND CANYON DEPOT RAILWAY CAFE + GIFT SHOP RENOVATIONS**
XANTERRA PARKS + RESORTS | WILLIAMS, AZ | 15,500 SF | \$1.5 M
- **COOLIDGE CIVIC CENTER AND LIBRARY MASTER PLAN + CONCEPT DESIGN**
CITY OF COOLIDGE, AZ | 70,000 SF | \$16.6 M
- **ASPEN RECREATION CENTER***
CITY OF ASPEN, CO | 81,828 SF | \$19.2 M

ARCHITECTURE + DESIGN



EDUCATION

- BACHELOR OF ARCHITECTURE
CUM LAUDE, THE UNIVERSITY OF
ARIZONA, 1993

REGISTRATION + CERTIFICATIONS

- AZ REGISTRATION NO. 32906
- U.S. GREEN BUILDING COUNCIL LEED
ACCREDITED PROFESSIONAL

HOLLY DAMERELL ASSOCIATE, AIA LEED *AP
Sr. Project Architect
BWS ARCHITECTS

Holly Damerell has over 23 years of experience and is not only very knowledgeable about technical construction issues and how buildings go together, but she also has a strong sense of design and looks for opportunities to make every project as attractive as it is useful. She produces accurate, detailed documents quickly and is very effective in a team environment. Holly has been with BWS Architects for over 17 years and has worked on relevant projects, such as the Pima County Esmond Station Regional Park Master Plan and Historic Building Stabilization project, the W. Anne Gibson Library, and for El Rio Health the Gomez Health Center, Cherrybell Health Center and the Grant Road Health Center.

As Sr. Project Architect, Holly works with the team to complete zoning, land use, and code evaluations as well as coordinate and lead the building and site assessment. She is also responsible for the Construction Documents and coordinating the Construction Administration Phase.

- **ESMOND STATION REGIONAL PARK MASTER PLAN**
PIMA COUNTY | VAIL, AZ | PARK + SITE DEVELOPMENT 282 ACRES
- **W. ANNE GIBSON PUBLIC LIBRARY (ESMOND STATION LIBRARY)**
PIMA COUNTY | VAIL, AZ | 9,000 SF | \$2.7 M

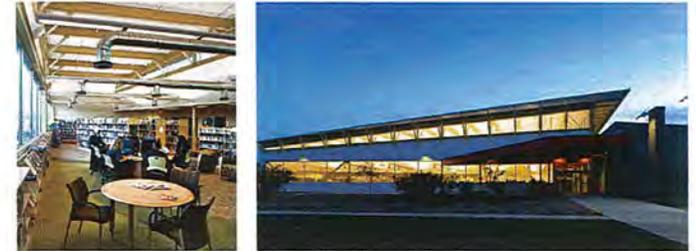


■ **W. Anne Gibson Public Library**

PIMA COUNTY | VAIL, AZ | 9,000 SF | \$2.7 M
This new library is situated prominently in the southeast corner of the Esmond Station Regional Park and is its first major facility. The building is sited to take advantage of tremendous mountain views and natural lighting, while maximizing the use of the available acreage and minimizing the amount of roadway paving. Pedestrian access is convenient from the nearby historic rail bed, which now serves as a trail. The building systems were designed to be energy efficient, supported by a high performing building envelope, use of daylighting and LED lighting, and low water use fixtures. The site design includes drought tolerant native plants and passive water harvesting techniques.

- **SAN XAVIER DISTRICT GOVERNMENTAL, ELDERS, + COMMUNITY ACTIVITY CENTERS**
TOHONO O'ODHAM NATION | TUCSON, AZ | 49,200 SF | \$13.6 M | LEED™ GOLD
- **COOLIDGE CIVIC CENTER AND LIBRARY MASTER PLAN + CONCEPT DESIGN**
CITY OF COOLIDGE, AZ | 70,000 SF | \$16.6 M
- **FT. LOWELL PARK BATH HOUSE IMPROVEMENTS**
CITY OF TUCSON, AZ | 4,200 SF | \$482,500

- **MARTHA COOPER PUBLIC LIBRARY + LEARNING CENTER**
PIMA COUNTY | TUCSON, AZ | 7,700 SF | \$1.2 M



■ **Martha Cooper Public Library and Learning Center**

PIMA COUNTY | TUCSON, AZ | 7,700 SF | \$1.2 M
Martha Cooper is a small neighborhood branch library comprised of 7,700 square feet of book circulation area, storage, administration and workspace, as well as a public meeting room. The site is approximately 1.65 acres and provides 42 staff and patron parking spaces. The north facing windows not only capture amazing mountain views but provide controlled natural light that supplements the LED fixtures to reduce energy use. The form of the building provides shaded outdoor spaces that extend functional programming.

An area for future expansion was designated to the west of the existing building. BWS guided the completion of design and construction, and was responsible for the development of construction documents and construction administration, in conjunction with structural, mechanical/plumbing, and electrical engineering consultants, as well as landscape.

- **CHERRYBELL HEALTH CENTER**
EL RIO HEALTH | TUCSON, AZ | 50,421 SF | \$12 M
- **GOMEZ HEALTH CENTER**
EL RIO HEALTH | TUCSON, AZ | 54,000 SF | \$9.6 M | LEED™ GOLD
- **GRANT ROAD HEALTH CENTER**
EL RIO HEALTH | TUCSON, AZ | 30,000 SF | \$4.5 M

ARCHITECTURE + DESIGN
LANDSCAPE ARCHITECTS



AO Akiko Ono

Originally hailing from Japan with three masters degrees in Comparative Cultures, Architectural History and Landscape Architecture, Akiko comes from a unique background that combines both academic and professional pursuits. With over 20 years of experience working on international and local projects at scales both detailed and geographic, Akiko's goal is to approach landscape as a realm where the circle of life including biological, ecological, social and cultural cycles are embraced, from birth, to growth and even into decay. She has been leading various public and private projects, overseeing them from concept through documentation and construction, leading design, client relations, marketing and fee proposals. Currently working as a design lead at SOG Landscape Architecture, a few of her notable public projects include DJ Sangh Temple, SFUSD Arts Center, Hamlin School San Francisco Community Music Center and Logan Apartments in Berkeley California. Akiko also has been speaking on women's equity within the field of Landscape Architecture through a series of lectures in recent years, first at UC Davis 2016, followed by "Design with Nurture" panel at the annual ASLA conference in 2018 and lastly at a panel discussion at "Women and Leadership in Design," -part of the Design Salon Series at CMG Landscape Architecture. She is also an active member of the Green Team at a local public elementary school, where she takes care of the chickens in the school garden and their sponsorship program. Responsibilities within the Green Team range from those focused on nurture - of the plants, the chickens and the children, to project management and political interface with the School District.

RELEVANT PROJECTS:

D.J. SANGH TEMPLE, MILPITAS, CA:

With Beausoleil Architects. New 6 acre campus of Jain temple in a 68 acre former horse ranch in Milpitas, CA including a traditional temple and meandering meditation paths and gardens. Currently under the country planning review.



THE HAMLIN SCHOOL, SAN FRANCISCO, CA:

With MCA Architects. Landscape design for a rooftop terrace for science education with a vertical vegetable garden and outdoor classrooms for an exclusive girls school. In construction.



COMMUNITY MUSIC CENTER, SAN FRANCISCO, CA:

With MCA Architects. Landscape design for a newly renovated historical music school in the Mission district.

SFUSD ART CENTER, SAN FRANCISCO, CA:

With MCA Architects. Landscape design for a new public art high school and a master plan of an entire block in the historic "music" district in the center of San Francisco.

LOGAN APARTMENTS, OAKLAND, CA, with RAD Urban built 2021. Landscape design for a new 204-unit, 6-story mixed-use/residential building complete with a redwood line mini park, green wall, green roofs and rooftop urban farm with a redwood lined park.



ARCHITECTURE + DESIGN

STUDIO O.G. + Landscape

AG Adam Greenspan



Adam Greenspan is a design partner at PWP Landscape Architecture and has been collaborating with Akiko Ono at Studio OG for the last 20 years. Adam has been the lead designer on a wide range of projects including public parks, campuses and mixed use developments, his background in art and sociology combined with years of horticultural practice support an integrated approach to design that allows him to develop projects from many angles. Adam is from Southern California and has practiced horticulture and landscape design in the arid southwest since he was in high school. His focus in many projects is maximizing visitors' experience and the integration of regenerative processes and ecological function within landscapes that focus on the conservation and re-use of water. Adam has collaborated extensively with architects, artists, technical consultants, community groups and cities in the process of creating exceptional places.

Adam is a registered landscape architect in Arizona, California, Texas, New York, and Maryland. Many of his projects focus on creating unexpected memorable experiences within landscapes connected to urban life. Specific projects that relate to the Arroyo Park proposal include Newport Beach Civic Center Park in Newport Beach California, the Transbay Transit Center in San Francisco, the Colorado Esplanade in Santa Monica, California Adam's recent projects and Glenstone a museum and 200-acre art park in Potomac, MD. Adam has lectured widely at academic and cultural institutions including the University of California at Berkeley, the University of Colorado, the University of Arkansas, the National Building Museum in Washington DC, Greenbuild Conference, Skyrise Greenery Conference, Living Futures Conference, and ASLA National conventions. Adam has also served as a guest critic at the University of California at Berkeley, the University of California at Davis, the University of Pennsylvania, and Harvard Graduate School of Design.

RELEVANT PROJECTS:

NEWPORT BEACH CIVIC CENTER PARK, NEWPORT, CA:



GROWMELT PROJECT, NAPA, CA



SALESFORCE TRANSIT CENTER DESERT GARDEN, SAN FRANCISCO, CA:



ARCHITECTURE + DESIGN

STRUCTURAL ENGINEER

SCHNEIDER

STRUCTURAL ENGINEERS

RONALD H. SCHNEIDER

P.E., S.E.

Principal

OFFICE ADDRESS

435 East 9th Street
Tucson, AZ 85705
520.512.8183
520.512.8169 fax

EDUCATION

1990 Bachelor of Science in
Architectural Engineering,
California Polytechnic State
University

ACTIVE PROFESSIONAL REGISTRATIONS

Registered as a Structural
Engineer in Arizona (1992 -
#27349), California (1997 -
#S4109), Nevada (2000 - #14612)
Alaska (2019 - #139688), and Utah
(2001 - #4877700-2203) and a Civil
Engineer in California (1992 -
#C49684). Also registered as a
Professional Engineer in numerous
other states.

PROFESSIONAL AFFILIATIONS

Holds a council record with the
NCEES

Member of the Structural Engineers
Association of Arizona (SEAA)

Town of Sahuarita Board of
Appeals for Plan Review Issues

Ron Schneider began Schneider Structural Engineers over 22 years ago. He has over 30 years of experience in structural engineering, utilizing steel and concrete, from design phase to construction. Ron is highly skilled in seismic design and the selection of the appropriate framing system to provide a quality solution for a variety of projects ranging from complex structures such as design/build, advanced technology and industrial facilities to smaller scale projects. Many of the projects he has designed have required extensive 3D dynamic computer analysis.

Ron is committed to provide a high degree of skill, coordination and quality control to all engineering and project documents and to work with other disciplines to make each project successful.



EXPERIENCE

JANUARY 8 MEMORIAL & EL PRESIDIO PARK - TUCSON, ARIZONA

Provided structural engineering, CAD services, and Construction Administration for the design of the support structure of a memorial wall and other site structures at this City of Tucson park.

BRANDI FENTON MEMORIAL PARK - TUCSON, ARIZONA

Provided the structural design for the following: 800-900 sf restroom building whose design will be replicated 2-3 times, shade structure for covered basketball court, a 2,000 square foot classroom, foundations only for a 2,500 square foot greenhouse (design and detailing of greenhouse by others), review of the existing pole barn to use as a shade structure and design new shade structure, judging stands, and small wood framed ramadas.

CITY OF TUCSON LAKESIDE PARK RESTROOM IMPROVEMENT - TUCSON, ARIZONA

Provided structural engineering, CAD services and construction administration for the design of the renovation of two metal buildings.

LA MADERA PARK COMFORT STATION - TUCSON, ARIZONA

Provided the structural design of a renovation which included removing walls and adding wall openings and new walls of a single-story double-brick structure; adding four new openings into the masonry walls; adding a foundation for two (2) 11,000-gallon steel tanks and adding a new shear wall for the one that was removed.

ROCKING K RAMADAS AND RESTROOM BUILDING - PIMA COUNTY, ARIZONA

Provided the structural design of one (1) 1,257 square foot one-story masonry restroom/storage building and four (4) total wood, steel and concrete ramadas of the following diameters 12-ft, 20-ft, 30-ft, and 40-ft.

GREEN VALLEY RECREATION 10-YEAR STRATEGIC MASTER PLAN - GREEN VALLEY, ARIZONA

Provided a visual review of fourteen existing recreation centers, sports courts, and swimming pools/spas for structural condition and provide an opinion report of our findings to identify any structural integrity issues or concerns. Consult on the concept design and provide a schematic level structural design narrative to aid in cost estimating for the recommended Master Plan of each individual GVR center.

www.sastructural.com

SCHNEIDER

STRUCTURAL ENGINEERS

RONALD H. SCHNEIDER

P.E., S.E.

Principal

EXPERIENCE

KINO SPORTS PARK - TUCSON, ARIZONA

Provided structural engineering and Construction Administration for the design of a new CMU ticket booth, rest room, foundation for pre-engineered bleachers and a press box that is either stand alone or integrated with the bleachers. Designed a 32 ft tall netting support poles and foundation.

KINO SOUTH SPORTS COMPLEX - TUCSON, ARIZONA

Provided structural engineering and Construction Administration for the design of the concessions building, restrooms, exterior shade canopies around building, parking light pole bases, and the parking lot PV supports.

SPORTS PARK PLAN DESIGN - TUCSON, ARIZONA

Provided structural engineering and Construction Administration for the design of CMU retaining walls, ramps going up to the Hub decks, concrete stairs, a restroom addition, and an entry monument concept that includes three steel columns with beams.

BASKETBALL COURT CANOPY - TUCSON, ARIZONA

Provided structural engineering and Construction Administration for the post tension design of this steel-framed canopy with steel or concrete columns that spanned over a post tensioned concrete basketball court.

U OF A MCKALE MEMORIAL CENTER IMPROVEMENT - TUCSON, ARIZONA

Provided the structural design for the renovations and modifications to an existing arena, as well as a review for the existing floor loading. A review was also provided for a new four-story addition and expansion to the east side that added an elevator, stair tower, new entries, and restrooms.

LA PLACITA VILLAGE MIXED USE APARTMENTS - TUCSON, ARIZONA

Provided structural engineering and construction administration for the design of this 400,000 square foot total mixed-use complex, including parking, commercial and approximately 264 apartments along with landscaping and site work review.

www.sastructural.com

ARCHITECTURE + DESIGN

CIVIL ENGINEER



Mr. Rod has over 27 years of experience as a hydrologist, engineer and project manager for analysis and design of projects throughout Arizona and the southwest United States, including projects in Utah, Nevada and Texas. Chris' clientele is quite broad, having worked for local and state agencies, Native American Communities, mining corporations, irrigation districts and private citizens. For this project, Chris will serve as the project manager for JE Fuller, leading the design of the drainage infrastructure and site grading and design. Chris has extensive experience in working with both the Pima County Flood Control District, and the City of Tucson Engineering, both of which will be the key departments in the approval and permitting of the development.

EDUCATION

- B.S., Civil Engineering, University of Arizona-Tucson

PROFESSIONAL CERTIFICATIONS

- Registered Professional Engineer, Arizona #36672
- Registered Professional Engineer, Nevada #25414

EXPERIENCE

- Current Firm – 14 years
- Total – 27 years

MECHANICAL ENGINEER



Ken Cawthorne, Principal, takes an active role in all projects. He is responsible for designing energy-efficient air conditioning systems that use heat recovery, evaporative cooling and natural ventilation to provide a comfortable working and learning environment. Ken is currently on the *Tucson-Pima County Consolidated Code Committee* and has, since 2006, served as a member of the *Joint County/City Mechanical/Plumbing Code Committee*.

EDUCATION

- Bachelor of Science
Mechanical Engineering
University of Arizona, 1986

REGISTRATION

- Arizona Cert. No. 25035
- New Mexico Cert. No. 13143
- Colorado Cert. No. 36925
- Texas Cert. No. 104235
- Nevada Cert. No. 020536

CERTIFICATION

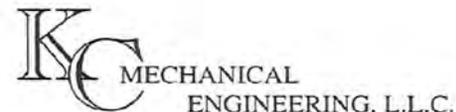
- U.S. Green Building Council
LEED Accredited Professional

PROFESSIONAL AFFILIATIONS

- City of Tucson Code Committee
- ASHRAE, Associate Member
- ASHE, Associate Member
- ASPE, Associate Member
- ICC, Professional Member

EXPERIENCE

- over 35 years
- with KC since 1994



Kenneth M. Cawthorne, P.E. LEED AP
Principal

KC MECHANICAL ENGINEERING LLC is a Tucson based professional engineering firm specializing in the design of HVAC, plumbing and other mechanical systems for commercial, institutional, and industrial projects.

Originally founded in 1986 as SMU Mechanical Engineering, KC's in-house team of professionals, with certification in Arizona, Colorado, New Mexico, Nevada and Texas, and certified in ASHRAE Healthcare Facility Design, continues to respond to each new challenge with technological expertise and innovative enthusiasm. The success of this approach is illustrated by the fact that more than 95% of our work is derived from satisfied repeat clients who value our employees' commitment to the highest standards of professionalism and customer service.

The firm, which is in its 35th year of operation and *SBC certified* (NAICS 541330 since June 2010), is dedicated to providing detailed, analytical approaches to solving today's engineering challenges using state of the art technology, including *Revit MEP 2012 3-D Building Information Models (BIM)*.

- TUNKE MIXED USE
- WILLETTA MIXED USE
- TRINITY MIXED USE
- CONGRESS MIXED USE ANNEX
- CONGRESS MIXED USE ANNEX BASEMENT
- CONGRESS MIXED USE NEW LOBBY/CONFERENCE ROOM
- ORD VALLEY PUBLIC WORKS
- WALTER DOUGLAS HEAD START – EVAP COOLER REPLACEMENT
- BONITA HEAD START – EVAP COOLER REPLACEMENT
- SOUTHSIDE HEAD START – EVAP COOLER REPLACEMENT
- ROBERTS HEAD START – EVAP COOLER REPLACEMENT
- CAVETT HEAD START – EVAP COOLER REPLACEMENT
- NEW HOPE CHURCH
- FWUSD PROFESSIONAL DEVELOPMENT & PRESCHOOL
- SUN CITY ACTIVITY CENTER EXPANSION
- GREEN VALLEY CANOA HILLS CLUBHOUSE RENOVATION
- PASCUA YAQUI NEW BEGININGS EXPANSION
- EL MIRAGE CLUBHOUSE
- SPLENDIDO HEALTHY BUILDING
- PASCUA YAQUI SENIOR CENTER
- SUN CITY ACTIVITY CENTER EXPANSION
- VALENZUELA YOUTH CENTER ROOFTOP AC UNIT REPLACEMENT
- SAHUARITA RECREATION CENTER

ARCHITECTURE + DESIGN

ELECTRICAL ENGINEER

Christian K. Monrad, P.E., LEED AP, FIES, Principal and Vice President,
Monrad Engineering, Inc., AZ SBTR Firm License No. 11391
33 years with the Firm

Project Role: Principal Electrical Engineer

Registration: Professional Engineer
(Electrical) Arizona (37386), CA, NM, PA

Education: Attended University of Arizona,
Nuclear Engineering major (no degree)

**Accreditation:**

Mr. Monrad is a U.S. Green Building Council LEED Accredited Professional (2004) and was a Member of the Project Advisory Committee at the UC Davis - California Lighting Technology Center (CLTC) for the research of evolving lighting, daylighting, and lighting control systems.

Member, IES since 1996; Current Member of the IES Discomfort Glare for Outdoor Nighttime Environments (DGONE) Committee, Fellow of the IES (2021).

Chris is involved with various technical and professional societies, serving on the Board of Directors of the International Dark Sky Association (IDA) for 21 years, Past-President of IDA (two terms); and as past-president of the So. AZ. Section of the Illuminating Engineering Society of North America.

Specific Experience: Mr. Monrad has over 39 years of experience in the design, construction, and specification of power, lighting, telecommunications distribution systems, and fire alarm systems. His award-winning interior and exterior lighting design application experience usually results in at least 30% and up to 80% better results than required by the International Energy Conservation Code and the City of Tucson Outdoor Lighting Code. These skills benefit his clients through perpetual utility savings, while still providing excellent classroom, living quarters, public space, and workplace environments.

His expertise also includes master planning and Best Management Practices (BMP) for outdoor lighting systems to serve the hospitality, public works, retail, higher education, industrial, aviation, and mining sectors. Chris has decades of experience with and is an expert in the application of outdoor lighting systems in environmentally and astronomically sensitive locales, including shielding considerations, adaptive controls, spectral content selection, glare control, and lighting ordinance compliance activities to minimize spill light, glare, and adverse sky-glow effects.

His expertise associated with PV/renewable power systems and exceptional energy conservation through high-performance lighting and daylighting systems for new building and renovations is significant.

He is a seven-time winner of the International Dark-Sky Association Quality Outdoor Lighting Design Competition.

**BROAD VISION.
PROFESSIONALLY MANAGED.
PROVEN EXCELLENCE.**



1926 East Ft. Lowell Road, Suite 200
Tucson, Arizona 85719-2391
(520) 884-0045 Voice
www.monradengineeringinc.com



Principals:
Fernando Galvez, P.E., RCDD, CTM
Christian K. Monrad, P.E., LEED® AP
Lawrence E. Monrad, P.E., Emeritus

Fernando Galvez, P.E., RCDD, CTM, Principal and
President, Monrad Engineering, Inc., Certified City of Tucson SBE and DBE
37 years with the Firm

Project Role: Principal Telecommunications Engineer

Registration: Registered Professional Engineer (Electrical)
Arizona 23911

Education: Bachelor of Science in Electrical Engineering -
University of Arizona 1988



Certifications: Registered Communications Distribution Designer (RCDD)

Specific Experience: Mr. Galvez has over 41 years of experience in the design and specification of power, lighting, telecommunications distribution systems, multimedia systems, security systems, PA/sound systems, intercom systems and fire alarm systems.

Mr. Galvez has decades of experience in copper and optical fiber structured cabling system telecommunications design for the University of Arizona, every Pima Community College campus, City of Tucson, Pima County, and various school districts. His Registered Communications Distribution Designer (RCDD) credentials benefit our clients with full-services infrastructure solutions for new construction and telecommunications system modernization projects to provide high-productivity workplaces and public spaces with internet connectivity that is a necessity for society of today and the future.

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PROVEN EXCELLENCE.**



CONSTRUCTION



David Ollanik

Project Director

David has been in the construction industry for over 30 years with extensive fast-track experience. David's building expertise is exclusively in the Tucson market which positions him to provide excellent leadership and will help facilitate local participation while engaging the local community on numerous levels. He will ensure that all necessary resources are available to consistently exceed your expectations and to consistently support a collaborative mindset amongst all stakeholders in the process.

Experience

6 years with Sundt
36 years of experience

Education

Bachelor of Science,
Business Administration,
University of Arizona



Select Relevant Experience

Confidential Global Industrial Manufacturer Office Building

\$43,662,388 / CMAR / Tucson, AZ / Project Director
Three-story, 150,000-sf facility houses between 400 and 700 engineers, product developers, and support roles. Built on approximately 10 acres, the building was designed and constructed with open-air offices throughout all three levels, but within these spaces lies a multitude of areas dedicated to team collaboration, planning, and design. Areas include 27 conference and collaboration rooms, 97 focus and huddle rooms, three training centers, three executive meeting rooms, state-of-the-art virtual reality space, electronics engineering lab, equipment call center, autonomous equipment remote monitoring center, equipment mockup/ fabrication lab, dining area, micro-market, and a fitness center.

Confidential Global Semiconductor Manufacturer Greenfield Office

\$49,601,131 / CMAR / Tucson, AZ / Project Director
Three-story new building with surface parking and site landscape. The first floor will be occupied by lab, meeting spaces, and small gym. The 2nd and 3rd floors will be offices and meeting spaces used only by employees. Exterior includes parking, loading dock, basketball courts, and walkable paths.

Tucson Convention Center Capital Improvements

\$65,000,000 / Tucson, AZ / Project Director
This project includes a package of improvements, upgrades, and additions throughout the Convention Center campus including work on the main convention complex, the Tucson Arena, the Leo Rich Theater, the Tucson Music Hall, and the historic Eckbo plaza and fountain. Also, includes the construction of two new parking structures to accommodate 917 vehicles.

Additional Experience

University of Arizona Student Success District

\$58,821,512 / Tucson, AZ / Project Director

University of Arizona Chemistry Building Renovations

\$28,386,912 / Tucson, AZ / Project Director

Benedictine Monastery Apartments

\$65,045,235 / Tucson, AZ / Project Director



Ian McDowell

Region Vice President

Ian has been with Sundt for nearly 26 years and is a leader in the development of alternative delivery method, specifically with Design-Build projects. He will command the firm resources necessary to fully support the team and the project. As a known resource as a Design-Build expert, Ian brings the collaborative mindset to the project. He will ensure that all necessary resources are available and that project goals are met. As Vice President, Ian's main goal is to ensure we are exceeding your expectations. He will keep in contact with you and affirms Sundt's 100% commitment to you.

Experience

26 years with Sundt
31 years of experience

Education

MS, Business Administration,
University of Arizona
BS, Civil Engineering,
New Mexico State University

License/Certification

LEED Accredited
Professional, U.S. Green
Building Council



Select Relevant Experience

Confidential Global Industrial Manufacturer Office Building

\$43,662,388 / CMAR / Tucson, AZ
Three-story, 150,000-sf facility houses between 400 and 700 engineers, product developers, and support roles. Built on approximately 10 acres, the building was designed and constructed with open-air offices throughout all three levels, but within these spaces lies a multitude of areas dedicated to team collaboration, planning, and design. Areas include 27 conference and collaboration rooms, 97 focus and huddle rooms, three training centers, three executive meeting rooms, state-of-the-art virtual reality space, electronics engineering lab, equipment call center, autonomous equipment remote monitoring center, equipment mockup/ fabrication lab, dining area, micro-market, and a fitness center.

Confidential Global Semiconductor Manufacturer Greenfield Office

\$49,601,131 / CMAR / Tucson, AZ
Three-story new building with surface parking and site landscape. The first floor will be occupied by lab, meeting spaces, and small gym. The 2nd and 3rd floors will be offices and meeting spaces used only by employees. Exterior includes parking, loading dock, basketball courts, and walkable paths.

Banner University Medical Center

\$324,676,120 / CMAR / Tucson, AZ
A nine-story tower, which replaced a 40-year-old portion of the hospital. Included was a cafeteria and campus support, such as office and administrative spaces. A \$28M central plant was a change mid-stream of the project. The Sundt crews adding shifts and weekends to integrate this portion of the project into the schedule.

Additional Experience

University of Arizona Student Success District

\$58,821,512 / Tucson, AZ

University of Arizona Chemistry Building Renovations

\$28,386,912 / Tucson, AZ

Tucson Convention Center Capital Improvements

\$65,000,000 / Tucson, AZ

Benedictine Monastery Apartments

\$65,045,235 / Tucson, AZ

ADVISING COUNSEL
LAND USE ATTORNEY



Rory Juneman

Attorney
Lazarus & Silvyn, P.C.
AZ State Bar #: 028086

Mr. Juneman practices in the area of real estate, zoning, and land use planning, with a focus on sustainable developments. His practice includes compliance with local, state and federal land use regulations, including zoning and subdivision ordinances. He has extensive experience with land use entitlement processes and hearings, and negotiations with local jurisdictions, agencies and neighborhoods. He has represented clients before various jurisdictions' Boards of Adjustment, Planning Commissions, Design Review Committees and City Councils on a variety of development and variance approvals. He has negotiated development agreements, neighborhood/community benefits agreements, economic incentives, and impact fee credit agreements. He has worked with jurisdictions to draft zoning ordinances, and has helped draft Planned Area Developments. He also helps clients work through the development approval process, including obtaining zoning determinations and approvals.

Memberships and Affiliations:

- Metropolitan Pima Alliance, Board Member, 2022 Board Chair
- Pima County Bar Association, Member
- State Bar of Arizona, Real Property Section Member
- University of Arizona James E. Rogers College of Law Assn., Board Member, Executive Committee, and Investment Committee Chair
- Arizona Planning Association, Member/Legislative Committee
- Citizen's Water Advisory Committee, City of Tucson
- Andra Heart Foundation Board Member
- El Encanto Neighborhood, Board Member

Education:

- J.D., *cum laude*, University of Arizona, James E. Rogers College of Law, 2010
- B.A., Baylor University, 1993

Bar Admission:

- Arizona, 2010

CORPORATE ATTORNEY



JONATHAN ROTHSCCHILD



Jonathan's practice focuses on business law, employment law, and estate planning. His preventative maintenance strategy includes audits of policies, procedures, corporate structures, and contracts. He counsels clients on business structures, operating agreements, and buy-sell agreements, and he facilitates negotiations as needed. Looking out for a client's best interests involves coordinating a variety of services. To that end Jonathan, drawing on his long-standing relationship with the business community, takes the team approach of working with CPAs, insurance brokers, real estate brokers, and other professionals to ensure that a company's licenses, permits, leases,

bonds, insurance policies, and accounting practices are sound and secure. Should circumstances arise which result in litigation, Jonathan has the unique experience of numerous years navigating the courts, providing experienced council in the event of litigation.

He also assists his clients and their business in the planning of their wealth transitions. Jonathan ties his business law insight into the area of estate planning. With his understanding of the legal tools which can be utilized in this area, he espouses meticulous and systematic preparation for the transition of assets through the vehicles of gifting, purchase agreements, and limited partnerships. He will tell you that the key to good estate planning involves careful framing, coordination, and transition planning for both individuals as well as businesses.

Jonathan has been active in many community endeavors, including having served on the boards of the Tucson Medical Center Foundation, Friends of the Library of the University of Arizona, the Temple Emanu-El, and the Jewish Family and Children's Services. He has been Board President of Handmaker Jewish Services for the Aging and has served Casa de Los Nifios. In this capacity, he has consulted with nonprofit executive directors, actively raised funds, helped established policies, and represented these agencies in the community. He has been a member of the AZ Town Hall. He also served as Mayor of Tucson from 2011 to 2019.

To balance out his busy life, Jonathan relaxes by working out, hiking, reading fiction, and spending time with his wife, Karen, and his three children, Isaac, Nathan and Molly, and three grandchildren, Ezra, Zev, and Ruby.

ADVISING COUNSEL

FINANCE

Tina Dorsey

Senior Business Relationship Manager



My name is Tina Dorsey, Senior Business Relationship Manager for Chase in Tucson, Arizona. I have over 13 years of experience working in the business community in Tucson. My objectives are to help companies obtain financing through various credit facilities via both SBA and conventional financing, and to offer solutions to optimize cash flow with depository and treasury services. I aim to be a resource and trusted advisor to my clients. I have lived in Tucson for over 30 years and have a vested interest in the health and success of our localeconomy. I have an amazing blended family of six and our freetime is spent camping, exploring and doing our best to enjoy the beautiful desert we live in.

My goal is to understand your business in a way that allows Chase to bring unique insights and value to every interaction with your firm. I can provide you access to the broader team of experts in areas such as cash management, credit solutions, and other business services.

Additionally, our advanced online capabilities and mobile tools give you access to your Chase business accounts from most digital devices. And you'll have access to telephone banking options that can make your banking more convenient.

Here are just a few of the great ways to connect with Chase:

Chase Platinum Service Center — speak directly with our experienced Senior Service Specialists, available when you need them

Chase Online Banking — simplify your cash management and enjoy secure online banking solutions

Chase Mobile Banking — manage your business finances when and where you choose

We're here to help you save time, manage cash flow and provide more convenience for your business banking.

With a team including dedicated service professionals and the vast resources of Chase working for you, we're confident you will be able to stay focused on growing your business and meeting your goals.

Tina Dorsey
Vice President

Phone: (520) 792-7140
Email: tina.x.dorsey@chase.com



ECONOMIC + REAL ESTATE



Rob Tomlinson Principal | Retail Properties

1100 N. Wilmot Rd, Suite 200 | Tucson, AZ 85712
Direct +1 520 546 2757
Fax +1 520 546 2799
rtomlinson@picor.com | picor.com
Lic #BR116953000

Profile

Rob has been an active commercial real estate broker since 1996. As a Retail Specialist, he is focused on the needs of landlords and tenants. A complete understanding of the purchase and leasing processes offers his clients the benefit of years of experience. Additionally, Rob has worked on a wide variety of commercial projects and has valuable insight on the dynamics of the site selection process. His experience in assemblages coupled with his education in Urban Geography, Site Analysis, and Land Use Planning has helped him to add value to challenging sites. Rob's participation on land use commissions and committees gives him a wealth of experience in public/private participation in the development process. As a CCIM Candidate and a member of the International Council of Shopping Centers (ICSC), Rob has made the extra effort to add value to transactions.

Partial Client List

- T-Mobile
- Walgreens
- Hoolualoa Incorporated
- Circle K
- Diamond Ventures
- The Kroenke Group
- Safco Capital Coporation
- Evergreen Development Co.
- Lippow Development Company
- Quick Mart
- De Anza Land & Leisure
- Reflections at the Buttes
- Chrysler Real Estate
- Kaufmann Properties
- Flexi Compras
- Bounce U
- Accelerated Learning Center
- Chicanos Por La Causa
- Goldstein Properties
- Graduate Restaurants
- Allied Cash Advance
- Viva Burrito Company
- Nanini Northwest
- Graham Brothers Enterprises
- Tucson Mountain Medical Assoc.
- D'Arcy McGee's Irish Pubs
- Westwood Financial Corporation Controls

Affiliations and Achievements

- International Council of Shopping Centers (ICSC) - Member
- Certified Commercial Investment Member (CCIM) - Candidate
- Southern Arizona CCIM Chapter - Member
- 8 Years City of Tucson Planning Commission - Chair 1999 & 2002
- Chair Large Scale Retail Sub-committee City of Tucson - 2003
- Urban Character and Design Sub-committee City of Tucson - 1997
- Neighborhood Notifications Sub-committee City of Tucson - 1997
- Urban Infill Sub-committee City of Tucson - 2004
- Vice Chair, Town of Sahuanta Planning and Zoning Commission - 2006 to Present
- Parks, Recreation, Trails and Open Space Steering Committee, Town of Sahuarta - 2006
- Junior Achievement - Instructor

Education

- University of Arizona - Tucson, Arizona
- Bachelor of Science - Regional Development

ADVISING COUNSEL

ECONOMIC + REAL ESTATE

FIRM DESCRIPTION

Applied Economics LLC is an economic consulting firm based in Phoenix, Arizona, specializing in economic development, economic and fiscal impact assessment, socioeconomic modeling, urban planning and custom software applications. Our clients include local governments—cities, counties, councils of government and school districts; as well as utilities, regional economic development organizations, retailers and retail developers, and various large corporations. We are experienced at working with various levels of public and private sector staff as well as steering committees and community groups representing diverse perspectives. We strive to provide the necessary technical information, in an unbiased and understandable format, in order to allow decision-makers to make better, more informed choices.

In the area of **economic and fiscal impact analysis**, Applied Economics conducts studies and develops models to measure the effect of a wide variety of activities. These activities can include development land use and policy changes, transportation infrastructure improvements, business-driven economic impacts and incentives. Development-based impacts, such as those caused by new development, redevelopment and annexation, quantify the effect of land use, zoning and density changes on public finances. Business impacts measure the effect of company locations, re-locations, expansions and exits.

We are also experienced at performing **incentive analyses**. We conduct detailed analyses of tax revenues and incentives for specific companies on behalf of state and local economic development organizations. The results of these analyses enable government officials to negotiate effectively when preparing and finalizing incentive agreements. These incentive analyses may include a comparison of taxes and incentives across multiple competing locations.

The principals at Applied Economics have worked together for more than 25 years, and are very experienced in working with local and regional planning and development issues. Applied Economics was formed in 1995, in order to specialize in the more technical aspects of economic research. We continue to provide our clients with a personalized and responsive approach to problem solving, based on utilizing information technology to bring to bear relevant data for informed solutions. We are also able to leverage our expertise by joining forces with experts in other related fields in order to provide the best qualified teams for different types of projects.

INDIVIDUAL QUALIFICATIONS

Sarah Murley is a principal with Applied Economics. She is an economist with over 25 years of experience in regional economic analysis, particularly in economic development and public finance. Ms. Murley is an experienced economic modeler, researcher and analyst. She has performed engagements for a wide range of public sector clients including city and county governments as well as economic development corporations, and utilities across the country.

In her experience as an economic consultant, Ms. Murley has applied her computer-based modeling experience to construct economic and fiscal impact models for cities, regional economic development organizations and utilities. These economic and fiscal impact models have been applied to a range of problems from evaluation of new and expanding companies, incentive evaluation, analysis of proposed developments and land use alternatives for future development. Ms. Murley has also conducted numerous studies of business attraction targets, existing businesses and other types of development projects to evaluate their economic impacts for the host community and region.

Ms. Murley is also frequently called upon to provide third party analysis to support incentives for new and expanding companies. She performs economic and revenue impact analysis as well as tax and incentive comparisons to quantify the value that the company would bring to the city or state, and specifically to quantify the new tax revenues that would be generated relative to the value of the incentive being offered. This information allows the state and local governments understand their return on investment. These types of analysis are also used to satisfy state statutory requirements regarding incentives.

Sarah Murley earned her Master's degree in economics from Arizona State University. She holds a Bachelor of Arts in economics and mathematics from Pomona College in Claremont, California. Her academic background, as well as her practical experience, provides her with excellent quantitative and analytical abilities. Ms. Murley began her career in economic consulting with Mountain West Research. She went on to work for Coopers & Lybrand and Economic Strategies Group, both in Phoenix, Arizona. She co-founded Applied Economics in 1995 with Rick Brammer.



2/24/2021

Dear Common Ground Committee:

We offer this letter in support of Mark and Eric Erman and their renovation project "Portal Cocktails", which is located inside the Ermanos Craft Beer & Wine Bar on Fourth Avenue. The historic Iron Horse Neighborhood is one of the most walkable neighborhoods in Tucson and its residents enjoy its proximity to the Historic Fourth Avenue District. Prior to opening their business in 2015, the Erman brothers attended a neighborhood association meeting to share information with our residents, and since its opening they have been consistent in maintaining an open line of communication and providing a quality space that many of our residents are able to enjoy on a regular basis. Their establishment has been a clear positive contribution to the commercial district and our adjacent neighborhood.

We believe the Portal project, though young in its life, will further add to the appeal and quality of the area as it shows the brothers' commitment to thoughtfully designed gathering spaces. We're glad to have this addition to the mix of establishments within walking distance that our residents may enjoy. We wish the Erman brothers success with their latest project and future endeavors.

If you have any questions, please feel free to reach out to us at ironhorseneighborhood@gmail.com.

Best,

Iron Horse Neighborhood Association

Exhibit D
Project Design Layout



Exhibit E
Form of Memorandum of Agreement

-document on following page-

When recorded, return to:
Lazarus & Silvyn, PC
5983 East Grant Road, Suite 290
Tucson, AZ 85712

MEMORANDUM OF AGREEMENT

THIS MEMORANDUM OF AGREEMENT is entered into this ___ day of _____, 2024, by and between Pima County, a political subdivision of the State of Arizona (“**County**”), and Infinite Concepts, LP, a Vermont limited partnership (“**Developer**”).

County and Developer have entered into an unrecorded 4051 E. Paradise Falls Dr. Development Agreement dated _____ (the “**Agreement**”) regarding rights and obligations through three phases of project development on the tract of land owned by the County and located in the City of Tucson, Arizona, which is more fully described on **Exhibit A** attached hereto (“**Property**”). The Agreement has a five-year term and may be terminated at various times pursuant to the terms of the Agreement. As part of the Agreement, County and Developer agree to negotiate and enter into a separate Purchase and Sale Agreement, or Ground Lease and Purchase Option, pursuant to the terms of the Agreement.

A copy of the Agreement is available for persons having a legitimate interest in the Property at the following addresses:

County: Pima County Administrator
115 N. Church Avenue, Suite 231
Tucson, Arizona 85701

Developer: Infinite Concepts, LP
c/o Mark Erman
220 N. 4th Avenue
Tucson, AZ 85705
E-Mail: mark@inf.co

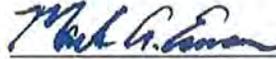
This Memorandum of Agreement is dated as of the date first above written.

SIGNATURES APPEAR ON THE FOLLOWING PAGES

DEVELOPER:

INFINITE CONCEPTS, LP
a Vermont limited partnership

By: M&E Paradise, LLC
a Vermont limited liability company
Its: General Partner



By: Mark Erman
Its: Managing Member

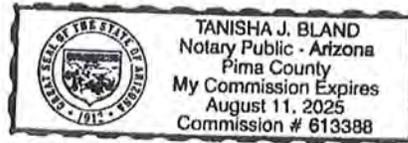
STATE OF ARIZONA)
) ss.
COUNTY OF PIMA)

I HEREBY CERTIFY that on this 13 day of February, 2024, before me, a Notary Public for the state aforesaid, personally appeared Mark Erman, known to me or satisfactorily proven to be the person whose name is subscribed to the foregoing Memorandum of Agreement, who acknowledged that he is the Managing Member of M&E Paradise, LLC, a Vermont limited liability company, which is the General Partner for Infinite Concepts, LP, a Vermont limited partnership, and that he has been duly authorized to execute, and has executed, such instrument on its behalf for the purposes therein set forth.



Notary Public

My commission expires on 8.11.25



COUNTY:

PIMA COUNTY, ARIZONA

By: _____
Adelita Grijalva, Chair of the Board of Supervisors

STATE OF ARIZONA)
) ss.
COUNTY OF PIMA)

I HEREBY CERTIFY that on this ___ day of _____, 2024, before me, a Notary Public for the state aforesaid, personally appeared Adelita Grijalva, known to me or satisfactorily proven to be the person whose name is subscribed to the foregoing Memorandum of Agreement, who acknowledged that she is the Chair of the Pima County Board of Supervisors and that she has been duly authorized to execute, and has executed, such instrument on its behalf for the purposes therein set forth.

Notary Public

My commission expires on _____