SATISFACTION OF ANCHOR ELEMENT LEASE STRUCTURE CONTINGENCIES

The initial component of the County's and Knott Development's determination rests with Knott Development's adherence to certain financial metrics related to the financial viability of the anchor elements, the final amount of the Kino District Financing and the lease obligation risks assumed by the County within the anchor element lease structure - the satisfaction of which mitigate credit rating risk for the County.

In addition, Knott Development and the County will meet with the Applicable Rating Agencies to present and review the Rating Review Package. To fully satisfy the contingencies set forth in the Master Developer Partnership and Development Agreement, Knott Development must receive written confirmation from each Applicable Rating Agency that the anchor element leasing structure will neither result in a downgrade of certain of the County's then-existing debt obligations nor cause an Applicable Rating Agency to withdraw a rating on certain, a then-existing County debt obligations.

To the extent Knott Development satisfies the metrics set forth in the Master Developer Partnership and Development Agreement, it is anticipated that the County will participate in the Anchor Element lease structure and a final construction phasing determination will be made.

To the extent that Knott Development does not satisfy the required anchor element metrics, it will have a choice to either extend the Determination Phase for a 6 month period within which it may satisfy the financial metrics or, in the alternative, Knott Development may continue the development of Kino District on its own and without the County's participation. If it decides to continue without the County's participation, Knott Development will remain obligated to contribute to the funding requirements of the Kino Complex Underpass and will provide the County with the opportunity to manage the Parking Garage.

Even if Knott Development satisfies the metrics set forth in the Master Developer Partnership and Development Agreement, the County will retain an option to not participate in the anchor element lease structure. If the County so determines, Knott Development will continue with the development of Kino District. However, due to the satisfaction of the anchor element metrics, the County will reimburse Knott Development for all of its Predevelopment Phase costs plus a fee for its work during the Predevelopment Phase, subject to a cap of $10.5 million. In addition, Knott Development will be released from its commitment to contribute to the funding requirements of the Kino Complex Underpass and the County will not have an opportunity to manage the Parking Garage.

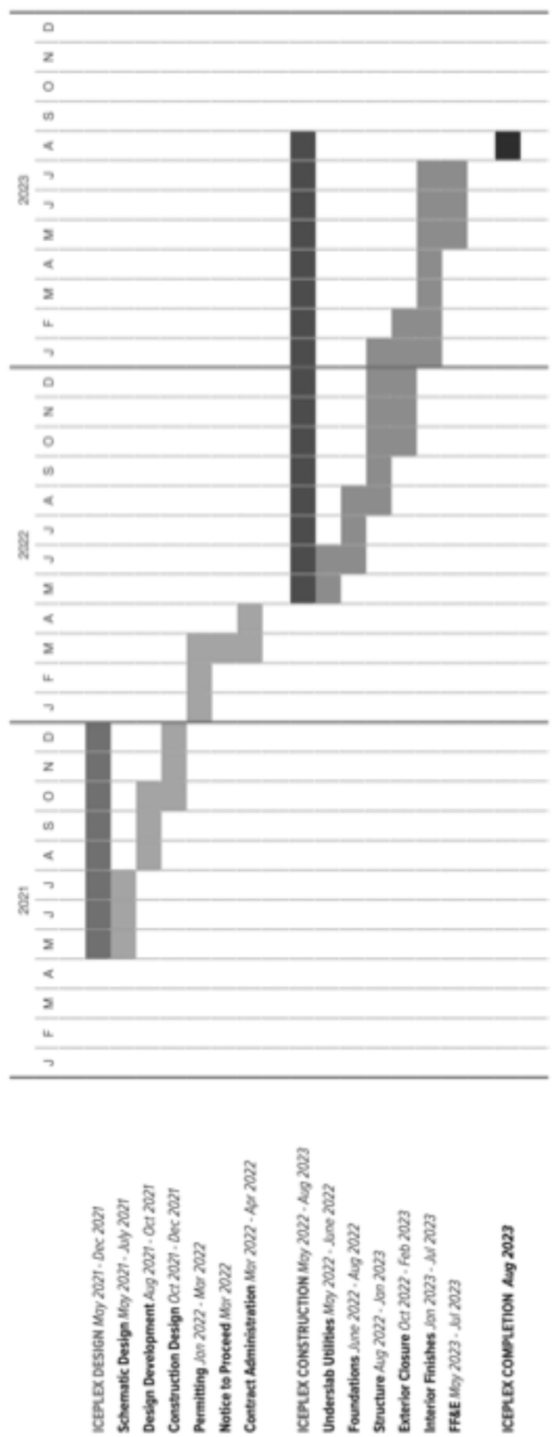
DEVELOPMENT PHASING DETERMINATION

If the County participates in the anchor element lease structure, the second portion of the Determination Phase will be addressed. Based on the Development Overview, the County and Knott Development will determine the implementation of construction phasing of the Iceplex, Field House, Arena, Stadium and Parking Garage as well as all support elements. Presently, Knott Development is working on a development phasing schedule premised on both current anchor programming timing agreements as well as site-benefitting timing as reflected below. In addition to Knott Development's primary development phasing plan, the County and Knott Development may mutually determine to adopt a staggered phasing plan to split the development process and incurrence of anchor element lease structure risk into two parts.

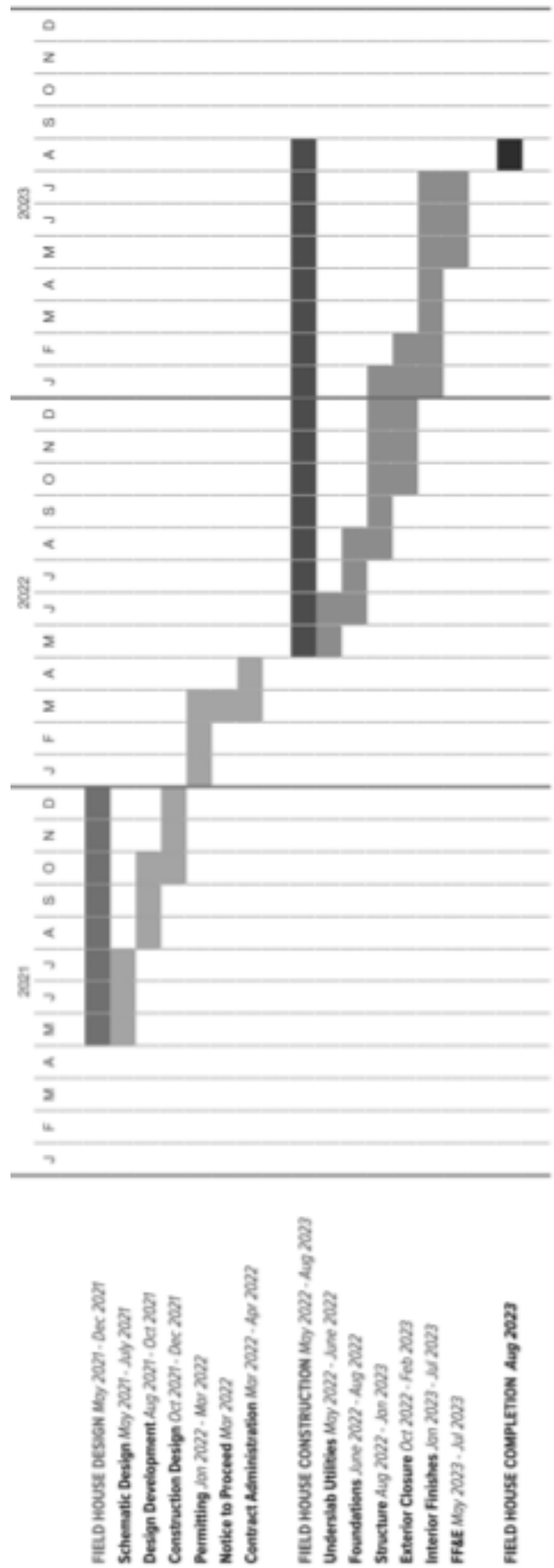
EXISTING DEVELOPMENT PHASING PLAN

The primary development phasing plan to be considered by the County and Knott Development is the adoption of the phasing plan depicted below for all anchor and support elements. If so chosen, Knott Development will close on the remaining portion of the Kino District Financing and will commence civil construction with phased direction to the construction of all anchor and support elements (the "Existing Development Phasing Plan").

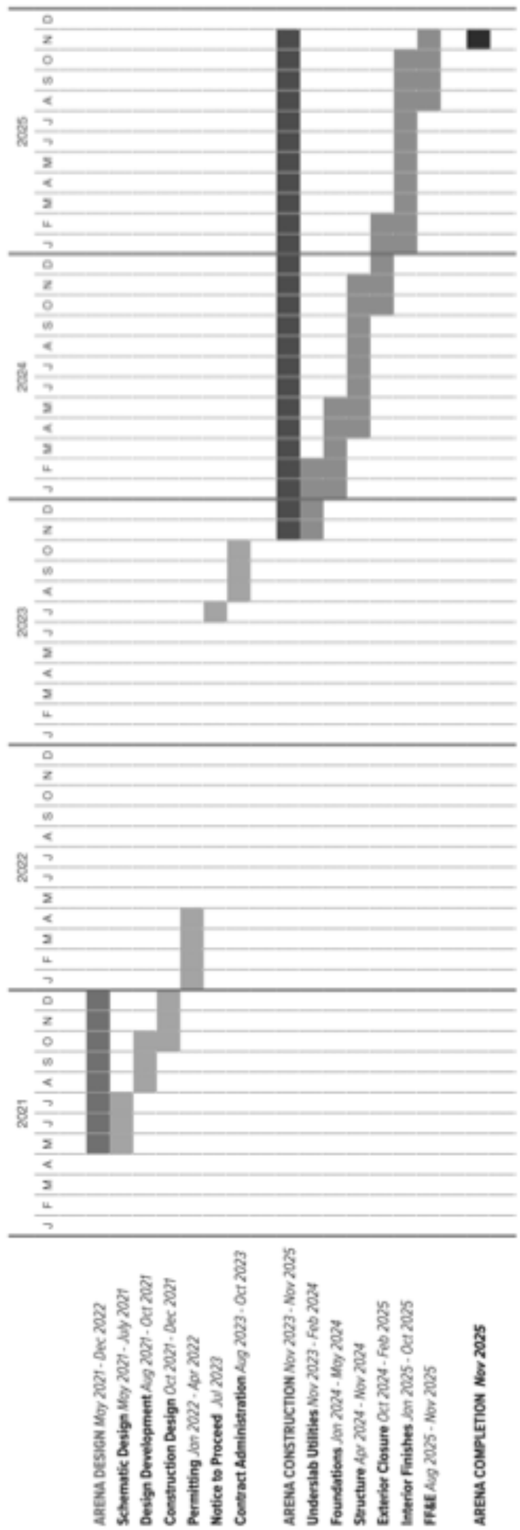
ICEPLEX EXISTING DEVELOPMENT PHASING PLAN



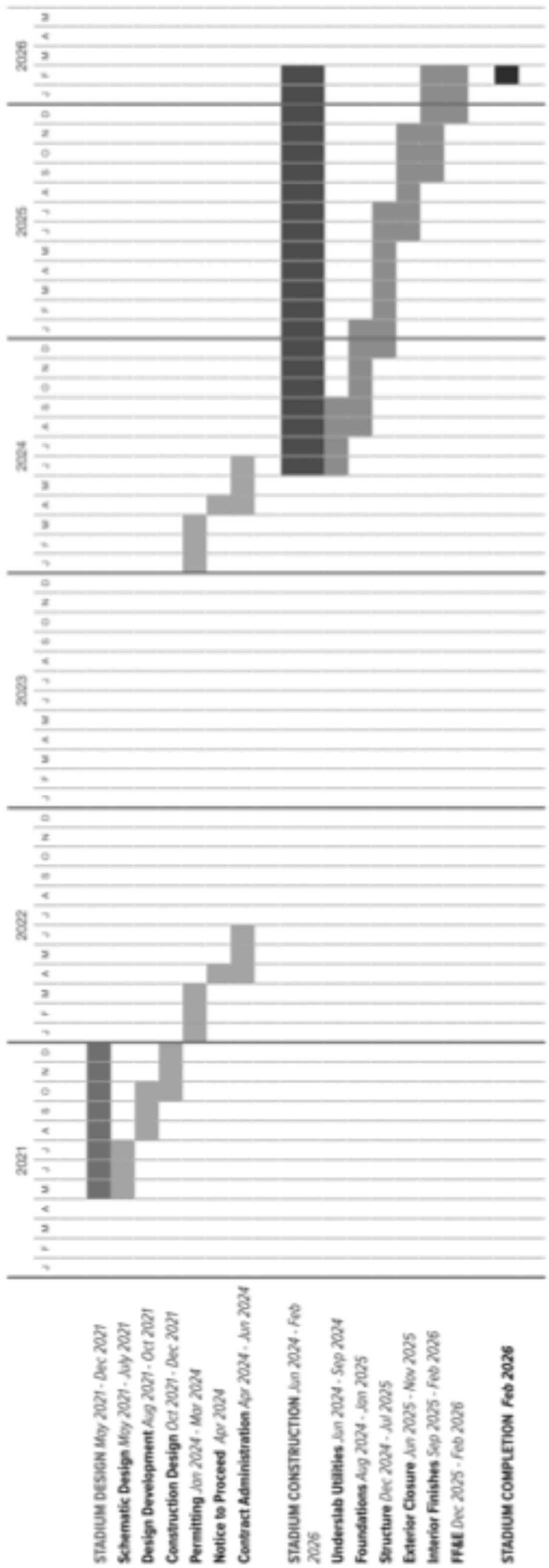
FIELD HOUSE EXISTING DEVELOPMENT PHASING PLAN



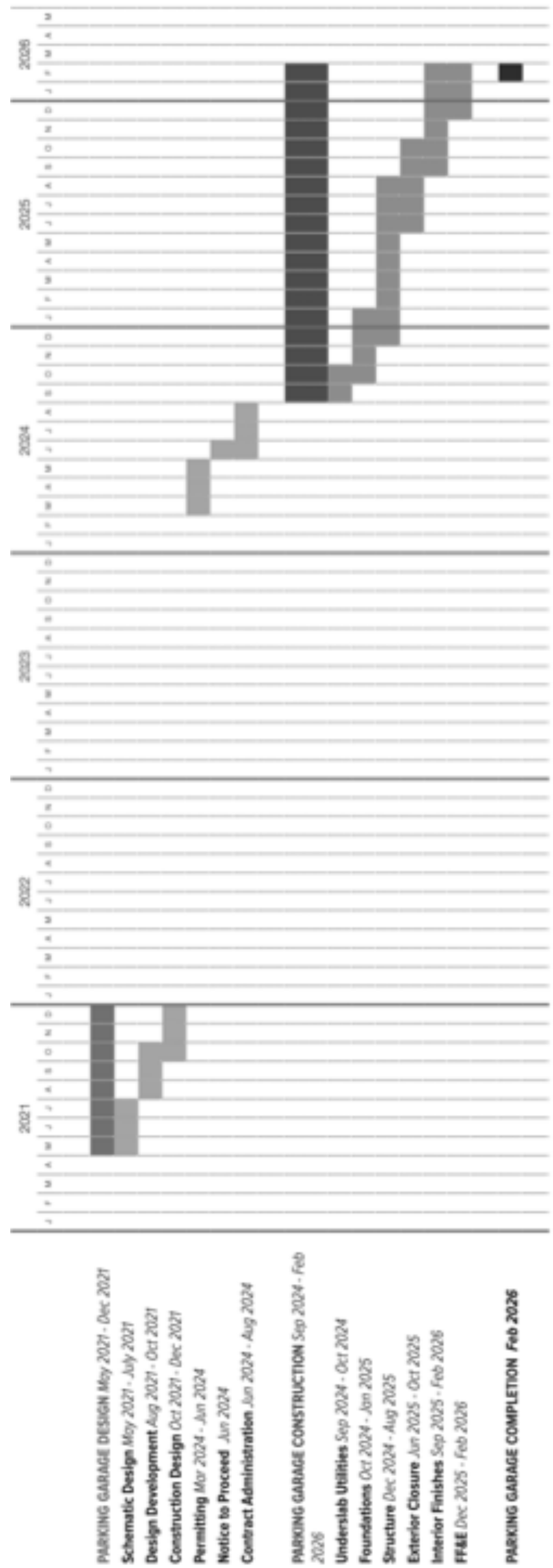
ARENA EXISTING DEVELOPMENT PHASING PLAN



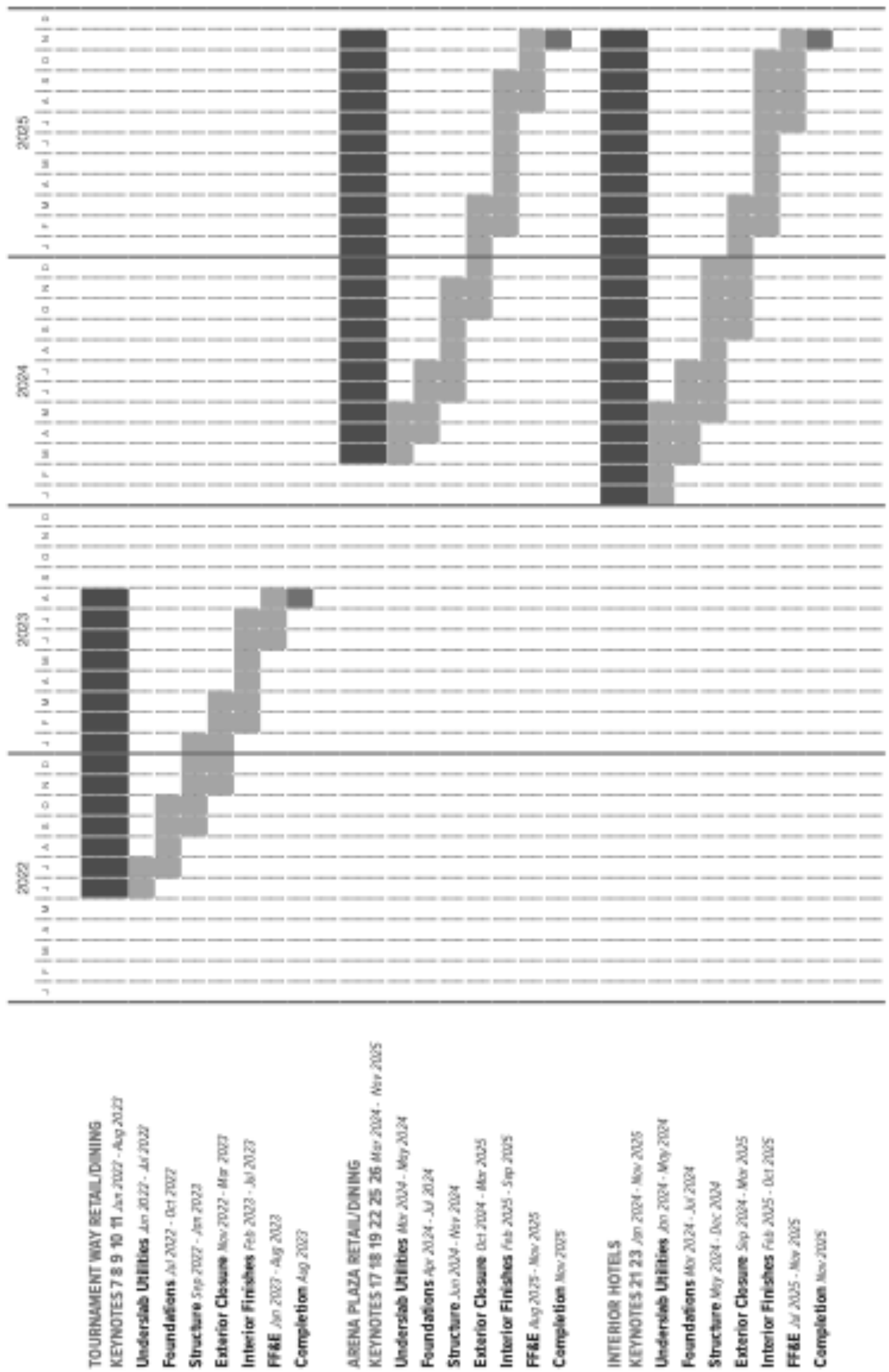
STADIUM EXISTING DEVELOPMENT PHASING PLAN



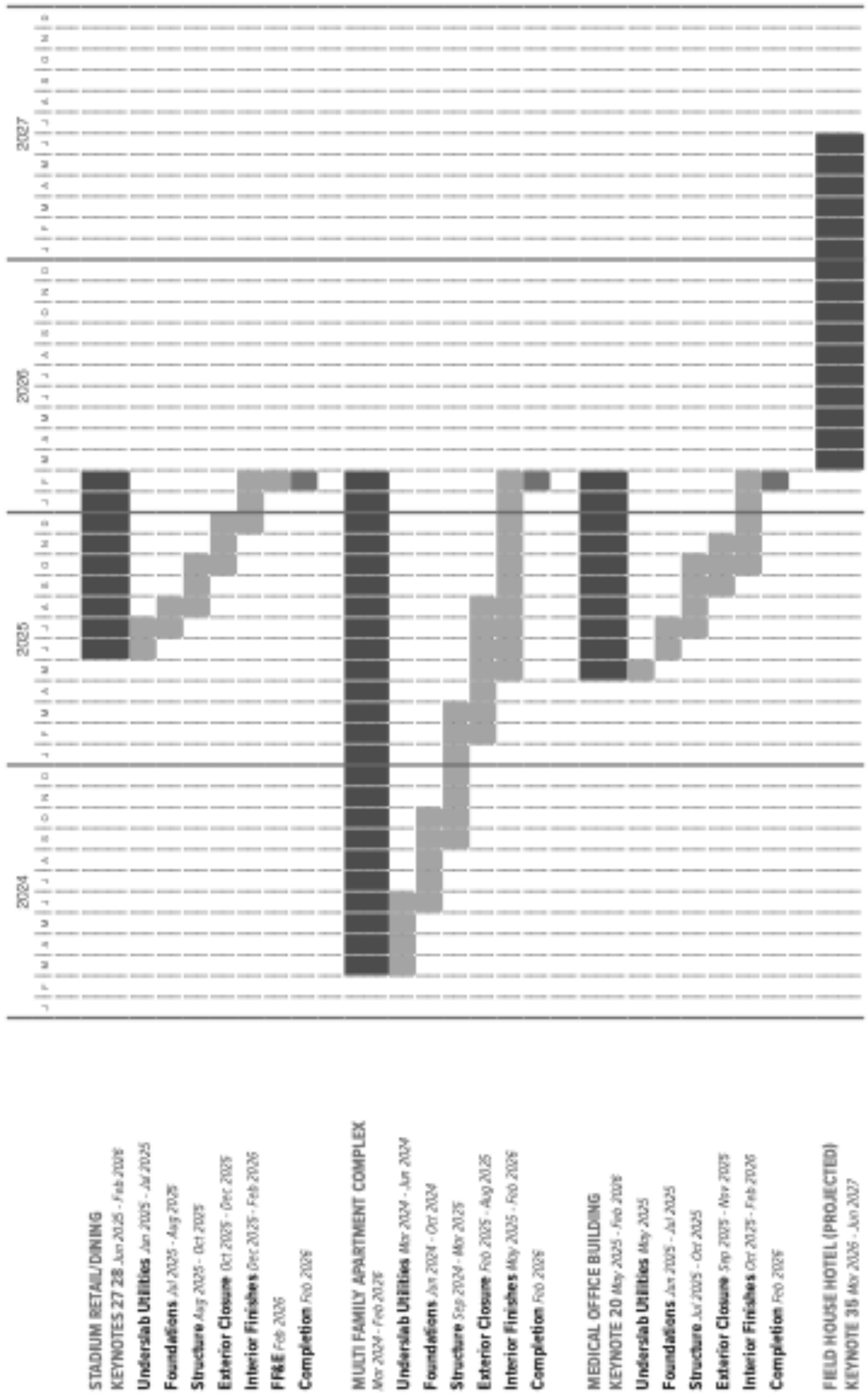
PARKING GARAGE EXISTING DEVELOPMENT PHASING PLAN



SUPPORT ELEMENTS EXISTING DEVELOPMENT PHASING PLAN



SUPPORT ELEMENTS EXISTING DEVELOPMENT PHASING PLAN (continued)



STAGGERED DEVELOPMENT PHASING PLAN

As an alternative to the Existing Development Phasing Plan, Knott Development and the County may amend the Existing Development Phasing Plan to reflect the following staggered development phasing. First, development and construction of all of Kino District's infrastructure components, and the development and construction of the Iceplex, the Field House, the Arena and all portions of Kino District Commercial tied to those anchor elements and, at the timing option of Knott Development, the development and construction of the Entertainment Center, any or all of the Kino District Hotels, the Medical Office Building and/or Kino District Multifamily (the "Initial Alternate Phase"). Second, development and construction of the Stadium and the Parking Garage and all remaining components of Kino District Commercial tied to those anchor elements and the development and construction of all support elements not scheduled for construction during the Initial Alternate Phase (the "Secondary Alternate Phase"). The timing of the Initial Alternate Phase and the Secondary Alternate Phase will be mutually agreed to by the County and Knott Development as the final portion of the Determination Phase.

PUBLIC PRIVATE PARTNERSHIP

PUBLIC PRIVATE PARTNERSHIP STRUCTURE

KINO DISTRICT PARTNERSHIP OVERVIEW

In order to develop Kino District, Knott Development and the County will enter into a public private partnership. The Kino District public private partnership involves the ground lease by Knott Development of the County's land and the development of Kino District's anchor elements - Iceplex, Field House, Arena, Stadium and Parking Garage (the "Anchor Elements") based on pass-through commercial leases for each such building involving the County and Knott Development.

As a result of the ground lease, the County will collect market-rate ground rent for a period of 40 years. Pursuant to the pass-through leases, the County will retain 55% of the net cash flow generated over 40 years by the Anchor Elements. At the end of the ground lease, Knott Development's rights to Kino District expire and all Anchor Elements automatically revert to County ownership and operation.

With respect to Kino District's support elements (i.e. hotels and buildings containing restaurants and retail establishments), their development is independent of the County. At the conclusion of Knott Development's ground lease, the County has sole discretion to continue leasing support element land to Knott Development, sell the land to Knott Development or another purchaser or redevelop the parcels based on the County's current needs.

The Kino District public private partnership does not involve the County engaging in any form of public financing. All funding for development and construction costs associated with Kino District is provided by Knott Development. Similarly, the public private partnership structure does not provide Knott Development with any property or other tax discounts or deferments.

MASTER GROUND LEASE

The Kino District public private partnership is premised on a master ground lease of the subject property from the County to Knott Development (the "Master Ground Lease"). The Master Ground Lease will be for a term of 40 years. Under the Master Ground Lease, Knott Development is responsible for all management and operation of the property, pays the County ground rent and assumes all property maintenance responsibilities.

The specific terms of the Master Ground Lease will be negotiated by the County and Knott Development during the MDPA's 10-12 month predevelopment phase. Subject to the terms of the MDPA, the final form of the Master Ground Lease would be presented to the Board of Supervisors for approval at the conclusion of the MDPA's predevelopment phase.

SUBLEASE OF ANCHOR ELEMENT PARCELS

Under the Master Ground Lease, Knott Development will have the authority to sublease portions of the County's property to building-specific development entities owned by Knott Development ("KD Ownership") used to develop the Anchor Elements (each a "Sub-Ground Lease"). The Sub-Ground Leases do not involve the County and are required as a part of Knott Development's financing. Notwithstanding Knott Development's ability to enter into Sub-Ground Leases, under the Master Ground Lease County staff retains the right to review and approve each such Sub-Ground Lease.

Sub-Ground Leases will be entered into simultaneously with the execution of the Master Ground Lease.

LEASE OF ANCHOR ELEMENTS

Simultaneously with the execution of the Sub-Ground Leases, each of the Anchor Elements will be leased to the County by KD Ownership (each an "Ownership Lease"). Ownership Leases will convey all rights, responsibilities and control over each Anchor Element from KD Ownership to the County under what is known as a triple net lease. Ownership Leases are for a term of 40 years, expiring at the same time as the Master Ground Lease. Ownership Leases are not executed until Knott Development has satisfied the terms and conditions of the MDPA and only following the County's decision under the MDPA to participate in the Kino District public private partnership.

At the same time the Ownership Leases are executed, the County will sub-lease each Anchor Element (each an "Operating Lease") to facility operations entities owned by Knott Development ("KD Operations"). Under the Operating Leases, control and management of the Anchor Elements are transferred to KD Operations. The Operating Leases are for a term of 40 years and expire simultaneously with the Master Ground Lease. The Operating Leases are only signed following Knott Development's satisfaction of the MDPA's terms and conditions and the County's acceptance of the Kino District public private partnership.

The combination of an Ownership Lease and an Operating Lease for each of the Anchor Elements is the mechanism for efficiently distributing to the County 55% of the annual net cash flow generated by each Anchor Element.

PAYMENT UNDER THE OPERATING LEASES

Pursuant to each Operating Lease, KD Operations will pay to the County rent equal to 100% of the monthly net cash flow generated by each Anchor Element. Payments to the County are due by KD Operations at the end of each calendar month during the term of the Operating Leases.

PAYMENT UNDER THE COUNTY LEASES

On a quarterly basis, the County will make a rent payment to KD Ownership under the Ownership Leases. The source of the County's quarterly rent payments are the 3 preceding monthly rent payments made to the County by KD Operations under the Operating Leases. The County's quarterly rent payments consist of 3 parts, base rent, secondary rent and additional rent. Base rent is an amount equal to the current Kino District Financing payment. Secondary Rent is an amount equal to the ground rent due by KD Ownership under the Sub-Ground Leases. Additional Rent is an amount equal to 45% of the remaining net cash flow received by the County under the Operations Lease.

After making its rent payments under the Ownership Leases, the County is left with 55% of the net cash flow generated by the Anchor Elements. At all times, the public private partnership is designed and structured so that the County's rent payments come from net cash flow generated by the Anchor Elements and not from County funds.

PAYMENTS UNDER THE SUB-GROUND LEASES

Upon receipt of the County's rent payments pursuant to the Ownership Leases, KD Ownership makes a ground rent payment to Knott Development. Each ground rent payment consists of 100% of the rent collected from the County.

PAYMENTS UNDER THE MASTER GROUND LEASE

Upon receipt of Sub-Ground Lease payments from KD Ownership, Knott Development makes a payment to the County equal to the currently due ground rent under the Master Ground Lease.

KINO DISTRICT FINANCING PAYMENTS

On a semi-annual basis, Knott Development makes payment on the Kino District Financing utilizing the remaining portion of the Sub-Ground Lease payments made by KD Ownership. The Kino District public private partnership is designed and structured to leave Knott Development (after making all Master Ground Lease and Kino District Financing payments) with 45% of the net cash flow generated by the Anchor Elements.

PUBLIC PRIVATE PARTNERSHIP CASH FLOW PROJECTIONS

The following tables demonstrate the utility and effectiveness of the Kino District public private partnership. The first table reflects the cash flows under the Operations Leases. The second table reflects the cash flows within the County Leases.

OPERATIONS LEASE CASH FLOWS

KINO DISTRICT PUBLIC PRIVATE PARTNERSHIP

OPERATIONS LEASE CASH FLOWS

	2023-2032	2033-2042	2043-2052	2053-2062
LEASE PAYMENTS TO PIMA COUNTY UNDER OPERATION LEASES				
Anchor Element Rent (100% of Net Cash Flow)	$208,591,886	$314,976,313	$398,289,757	$421,410,997
TOTAL LEASE PAYMENTS TO PIMA COUNTY	$208,591,886	$314,976,313	$398,289,757	$421,410,997
PIMA COUNTY EXPENSES UNDER OWNERSHIP LEASES				
Base Rent (Kino District Financing)	$149,306,245	$219,340,396	$267,374,719	$75,458,028
Secondary Rent (Ground Rent)	$2,399,512	$2,814,540	$2,814,540	$2,814,540
Additional Rent (Knott Development Net Cash Flow Share)	$25,598,758	$41,769,619	$57,645,225	$154,412,293
TOTAL PIMA COUNTY EXPENSES	$177,304,515	$263,924,555	$327,834,483	$232,684,861
NET CASH FLOW ALLOCATED TO PIMA COUNTY	$31,287,371	$51,051,757	$70,455,274	$188,726,136

OWNERSHIP LEASE CASH FLOWS

KINO DISTRICT PUBLIC PRIVATE PARTNERSHIP

OWNERSHIP LEASE CASH FLOWS

	2023-2032	2033-2042	2043-2052	2053-2062
LEASE PAYMENTS TO KD OWNERSHIP UNDER OWNERSHIP LEASES				
County Base Rent (Kino District Financing)	$149,306,245	$219,340,396	$267,374,719	$75,458,028
County Secondary Rent (Ground Rent)	$2,399,512	$2,814,540	$2,814,540	$2,814,540
County Additional Rent (Knott Development Net Cash Flow Share)	$25,598,758	$41,769,619	$57,645,225	$154,412,293
TOTAL LEASE PAYMENTS TO KD OWNERSHIP	$177,304,515	$263,924,555	$327,834,483	$232,684,861
KD OWNERSHIP EXPENSES UNDER SUB-GROUND LEASES				
Base Rent (Kino District Financing)	$149,306,245	$219,340,396	$267,374,719	$75,458,028
Secondary Rent (Ground Rent)	$2,399,512	$2,814,540	$2,814,540	$2,814,540
TOTAL KD OWNERSHIP EXPENSES UNDER SUB-GROUND LEASES	$151,705,757	$222,154,936	$270,189,259	$78,272,568
NET CASH FLOW ALLOCATED TO KNOTT DEVELOPMENT	$25,598,758	$41,769,619	$57,645,225	$154,412,293

KINO DISTRICT FINANCING

GENERAL TERMS OF THE KINO DISTRICT FINANCING

Knott Development's financing for the development of Kino District is provided by CTL Capital. Pursuant to a $418 million maximum commitment issued in July, 2020 and based on then-conceptual civil and architectural designs, all site design and infrastructure as well as facility design and construction is fully capitalized (the "Kino District Financing"). Pursuant to the Kino District Financing, the County is neither a participant to, nor a guarantor of, the Kino District Financing. In the same respect, the property being leased to Knott Development by the County under the Master Ground Lease is not subject to any lien or other form of Kino District Financing encumbrance. The Kino District Financing is solely repaid through the commercial pass-through lease structure employed by Knott Development and is based on the financial performance of the Iceplex, Field House, Arena, Stadium, Parking Garage. The Kino District Financing has a stated term of 30 years, provided, however, Knott Development is working with CTL Capital and County staff to implement certain additional aspects to the Kino District Financing to materially reduce the term based on the protective reserve structure described more fully in the *Financial Risk Management* section of this Business Plan. The full scope and implementation of such additional aspects to the Kino District Financing will be presented to County staff and the Board of Supervisors at the the conclusion of, the MDPA"s predevelopment phase.

PHASED CLOSING OF THE KINO DISTRICT FINANCING

The first phase of the Kino District Financing will close following the MDPA's execution. In the period following the MDPA's execution, Knott Development will satisfy all MDPA predevelopment phase requirements. Subject to Knott Development's compliance with predevelopment phase requirements, the County's approval of the public private partnership structure and the execution of the Master Ground Lease, the County Leases and the Operational Leases, the final portion of the Kino District Financing will close. and construction of Kino District's anchor and support elements will commence in accordance with the MDPA's development phasing schedule. section, it is assumed for the sake of timing assumptions that all development and construction takes place in accordance with the base schedule set forth in the Development Phasing section of this Business Plan.

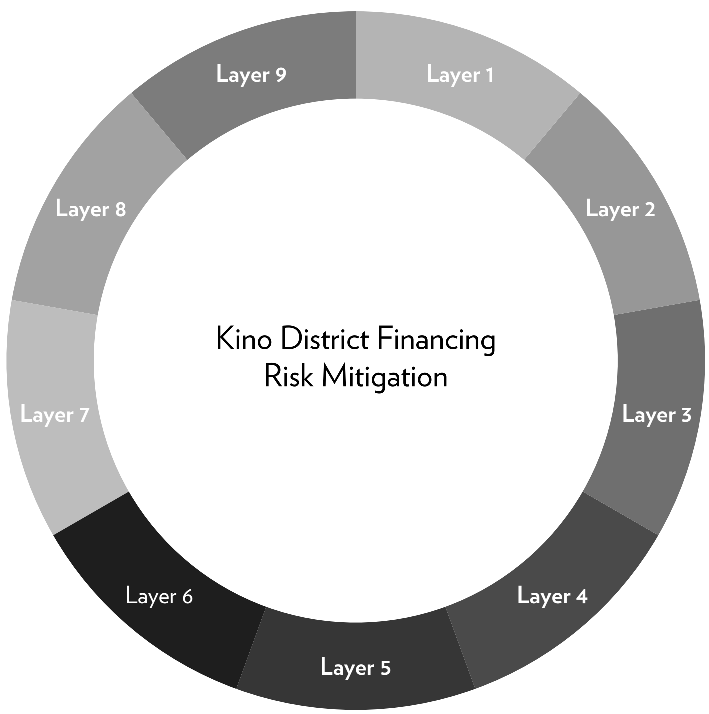
FINANCIAL RISK MANAGEMENT

FINANCIAL RISK MANAGEMENT

As is the case with any well-structured development financial model, the mitigation of attendant risks to the satisfaction of debt service is paramount. This is especially true within a public private partnership setting where potential credit rating risk to a municipal partner exists. To efficiently and comprehensively manage debt service risks associated with Kino District's anchor elements (Iceplex, Field House, Arena, Stadium, Parking Garage), Knott Development employs a layered and overlapping set of risk mitigation strategies (the "Risk Mitigation Structure") to accomplish nine goals:

1. Design facility programming to avoid program-linkage risks;
2. Implement a construction model that uniquely removes cost and delivery risks to facility financial performance;
3. Utilize a lease structure to stagger multi-level payment obligations to mitigate immediate and unforeseen financial pressures;
4. Time debt service commencement to anchor element completion;
5. Create a risk-mollifying financial administrative structure to seamlessly link financial obligations without risk-fostering gaps.
6. Ensure the self-sufficiency of each anchor element to satisfy its portion of the Kino District Financing;
7. Use the excess financial capacity of one anchor element to satisfy any other portion of the Kino District Financing;
8. Create and maintain a penultimate financial reserve to alleviate unexpected or systemic events; and
9. Access the financial markets to remove discrete, annualized risks associated with unanticipated business interruptions.

While each individual component provides discrete risk mitigation to Kino District's financial performance, it is the blended nature of all Risk Mitigation Structure layers that potently protects against financial performance interruptions and credit rating impacts.



DIVERSIFICATION OF PROGRAMMING RISK

LAYER 1

In a multi-facility development such as Kino District, facility linkage from the design and programming perspectives serves an important role. In distinct ways, design and programming marry, assisting in the creation of a central development theme. In the case of Kino District, an athletics-focused lifestyle development. Taken to a programming extreme, however, facility linkage (where one facility is dependent on another for its programming and financial existence) has the potential to pose systemic financial risk for the viability of a development. Demonstrating the opposite effect based on advance facility programming design, Anchor Elements avoid the creation of facility programming linkage that fosters financial risks. Due to their respective functionality and user bases, each Anchor Element provides a district programming function. In no case is an Anchor Element reliant on another to provide its core programming revenue. To the contrary, each Anchor Element is intentionally designed with independent, sustainable programming while offering program-bolstering opportunities to other Anchor Elements. In each case, without creating negative impact reliance.

ICEPLEX

The Iceplex does not rely upon any other Anchor Element to provide its recreational hockey/skating and tournament hockey programming. All core programming required to meet its contribution obligations towards the Kino District Financing is maintained within the Iceplex. Although, the Arena is potentially capable of providing supplementary facility support to the Iceplex, it is solely on a business-enhancing basis. For example, certain hockey tournaments or events (such as USA Hockey national championship tournaments, college hockey tournaments or prospect showcases) that could be recruited by the Iceplex may require an additional sheet of ice for contests or larger venues for final rounds. In this manner, the Arena is potentially capable of providing temporary auxillary and relevant physical capacity which augments both the Iceplex's and Arena's business models - permitting the Iceplex to temporarily expand its footprint on an as-needed basis and, for the Arena, adding supplementary revenue-generating events to its own existing, core touring production and Field House-oriented programming. Because these opportunities represent linkage for the purpose of augmentation as opposed to programming viability, the facility relationship does not inextricably tie core programming between the two facilities.

ARENA

In a similar manner, the Arena makes its financial contribution towards the Kino District Financing through hosting touring productions and other live events. The Arena is not dependent on any other Anchor Element to maintain its core programming. However, the Field House provides additional revenue opportunities in the form of an additional and/or championship venue for volleyball, basketball, indoor soccer, indoor lacrosse, Futsal and other indoor tournaments hosted at the Field House. In conjunction with a temporary conversion of Iceplex rinks into non-ice athletic surfaces, the Arena augments the tournament hosting capabilities of these other Anchor Elements. The Arena's capabilities supplement the programming of other Anchor Elements, but do not require them for financial wherewithal.

FIELD HOUSE

The Field House's unique, multi-sport programming is designed to independently meet its Kino District Financing contribution obligations. In addition, and in a manner akin to the relationship between the Iceplex and the Arena, however, the Field House simultaneously provides utility to the Iceplex and the Arena.

Due to the flexible nature of its floor plan and its integrated event space, the Field House offers opportunities for Iceplex tournament and event overflow and expansion. For instance, in the case of widely attended and more prominent tournaments where overflow staging and additional tournament amenity space are required, the Field House can serve as an auxiliary tournament component. Even with its own heavy tournament schedule, the Field House offers flexible options to remedy any non-contest space limitations associated with the Iceplex's physical capacity and design. As a result, the Field House's capacity and capabilities permit the Iceplex to add revenue and attendance volume to its core programming, while creating additional, non-core revenue-generating opportunities for the Field House. This creates complimentary linkage without risk-producing programming reliance.

Similarly, the Field House is capable of supporting large-scale events hosted at the Arena. Where additional staging or amenity space is required in support of events spanning multiple days and requiring general administrative, gathering or event operations space, Arena management will be able to work with Field House management and the Operations Committee to supplement its physical capacity. As is the case with the Iceplex, while the Field House is not required for the Arena's core programming, it serves as an event-specific enhancement that provides additional breadth to the Arena's functionality without a cumbersome program-related financial link between the facilities.

STADIUM

While the Stadium and the Arena serve somewhat similar functions - hosting larger sporting, touring productions and large-scale events - its still maintains unique programming capable of sustaining its obligations under the Kino District Financing. Its capabilities within the context of the Kino North Complex and the Kino South Complex reflect its utility. It provides opportunities for other Anchor Elements as well as site-wide facilities. In each case, adding value to the entirety of Kino District without creating a risk of excessive linkage to other Kino District anchor elements.

In addition to being the potential home of FC Tucson professional soccer, the Stadium serves as an outdoor variant destination for touring productions, professional sports exhibitions and tournaments as well as concerts and other outdoor-based events. But, because of its design functionality, the Stadium also provides opportunities to supplement existing County facilities. For example, due to its proximity to the Kino South Complex, the Stadium can provide recruiting incentives for more prominent national long field sports tournaments. In this manner, the Stadium supplements the tournament capabilities of the Kino South Complex, filling existing opportunity gaps and ascribing additional value to the County's existing facilities. In each case, neither the Arena nor the Kino South Complex is burdened with the core programming requirements of the Stadium, but offers complimentary and supplementary features that enhance the business model of the other facility.

COST & DELIVERY RISK MITIGATION
LAYER 2

Irrespective of a sound business and financial models, and even with a risk mitigating independent facility programming design, the initial risk facing a public private partnership development is timely and on-budget facilities completion. In the case of Kino District, this dual level risk is more pronounced due to the date certain commencement of Kino District Financing debt service payments and the operational timing requirements associated with Knott Development's existing anchor tenant agreements. As a result, and more accentuated compared to a speculative development project, completion and cost risks must be mollified.

From a cost of completion standpoint, under Knott Development's design build agreement structure, Hensel Phelps works under a firm guaranteed maximum price contract (a "FGMP"). Contrary to more commonplace guaranteed maximum price contracts, Knott Development's FGMP results in zero change order costs unless Knott Development drives a design or construction alteration outside the scope of work defined in the design build agreement. Put more simply, Hensel Phelps takes the financial completion risk that their project cost estimation is correct. As a FGMP backstop, Knott Development obtains an indemnification agreement from Hensel Phelps as to all changes in costs within the FGMP and relies on their substantial balance sheet equity and unrestricted cash balance to satisfy the FGMP and the indemnification, should it ever be triggered. The practical effect of Knott Development's FGMP design build structure is that unless Knott Development, itself, drives a design or construction alteration outside of the design build scope of work, a cost-coverage shortage never exists.

Because Knott Development has already secured a substantial number of Anchor Element facility use agreements that include commencement timing provisions, completion delay risk forms the basis of another potential financial disruption. In addition to covering the costs to complete, Knott Development's design build agreements with Hensel Phelps also provide for date certain substantial and final completion of each facility. In each anchor element's case, Knott Development's design build structure incorporates completion timing guaranties with substantial liquidated damages covered by the Hensel Phelps indemnification agreement. The liquidated damages component of the completion timing guaranties are calculated to meet any Kino District Financing payment obligations that simultaneously accrue during a completion delay and interrupt planned and necessary anchor element revenue streams.

Knott Development's design build structure ensures that facility operations are not delayed in the face of Kino District Financing debt service timing obligations. As a result, facility cash flows responsible for the payment of the Kino District Financing begin as planned.

STAGGERED PAYMENT OBLIGATIONS

LAYER 3

As more fully described in the Public Private Partnership Structure section of this Business Plan, Kino District's anchor elements are subject to a tiered lease structure to create a public private partnership. Because each of the Iceplex, Field House, Arena, Stadium and Parking Garage are subject to not only their own distinct programming and business models, but unique variances in their internal cash flows, a potential timing conflict exists. Should lease structure payment timing requirements be too proximate, the resulting overlap of financial obligations associated with each level of the lease structure, and ultimately Kino District Financing payment requirements, are susceptible to embedded risk.

EMBEDDED TIMING RISKS

As depicted below, each anchor element's lease structure follows a similar pattern. Moving from a bottom-up perspective (operations to ownership): (i) KD Operations operates each Anchor Element, (ii) KD Operations leases each Anchor Element from the County, (iii) the County leases each Anchor Element from KD Ownership, and (iv) KD Ownership is responsible for paying each Anchor Element's portion of the Kino District Financing. At each level of an Anchor Element's lease stack, material financial obligations persist regardless of the timing of cash flow generation. In the face of uneven periodic cash flows, the combination of unintended cash flow gaps and simultaneous payment obligations pose an embedded risk to keeping current with Kino District Financing payments.

THE STAGGERED PAYMENT STRUCTURE SOLUTION

To significantly reduce the opportunity for timing risks to develop, Knott Development employs staggered payment terms between each component of an Anchor Element's lease stack:

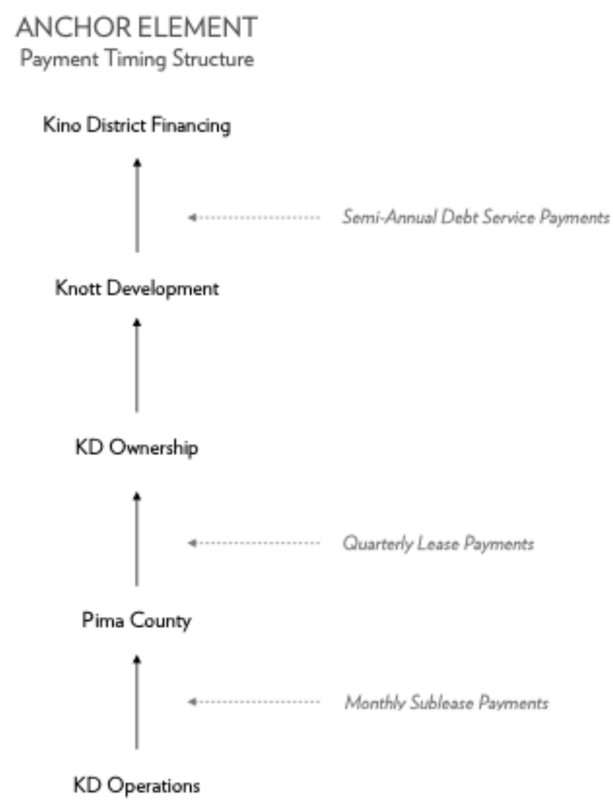
1. Anchor Element rent payments of 100% of net cash flow are paid by KD Operations to the County monthly;

2. County payments of base rent (portion of Kino District Financing), secondary rent (portion of Sub-Ground Lease rent) and additional rent (Knott Development's share of Anchor Element cash flow) are paid to KD Ownership quarterly; and

3. KD Ownership payments of Sub-Ground lease rent (portion of Kino District Financing, Sub-Ground Lease rent and Knott Development's share of Anchor Element net cash flow) are made semi-annually to Knott Development.

4. Knott Development payments on the Kino District Financing are made semi-annually.

The staggered payment timing mechanism results in monthly Operations Lease rent obligations satisfying quarterly Ownership Lease payment requirements which meet semi-annual Sub-Ground Lease obligations and Kino District Financing requirements. - creating a timing buffer to ameliorate the risk of simultaneous payments that could cause a payment deficiency on the Kino District Financing at any level of the Kino District public private partnership.



The benefits of Knott Development's staggered payment structure are further enhanced by the Kino District governance committee structure (as more fully described in the *Development Governance* section of this Business Plan) . Because the Operations Committee meets on a quarterly basis, the timing gaps existing between Operations Leases, Ownership Leases, Sub-Ground Leases and the Kino District Financing provides an opportunity for Knott Development, the County and issue-specific facility management teams to identify, assess and take the remedial actions necessary to cure short term financial problems and craft long-term solutions to avoid repetitive economic pitfalls. In this manner, the Risk Mitigation Structure links multiple facets of Kino District operations and financial performance to avoid systemic financial risk to both Knott Development and the County as a part of our public private partnership.

DELAYED DEBT SERVICE

LAYER 4

Within the Risk Mitigation Structure, Knott Development employs a delayed debt service feature. This aspect of the Kino District Financing not only separates Kino District from other multi-facility, sequenced developments, but enhances the viability of all anchor elements and, moreover, the entirety of Kino District. In essence, it achieves a fiscal head start for Kino District and the remaining facets of the Risk Mitigation Structure.

For example, under the Existing Phasing Plan, payments on the Kino District Financing do not commence until mid-2025. Prior to that point, the Iceplex and Field House open in mid-2023 and the Arena in the first calendar quarter of 2025. In lockstep with the opening of these facilities, the adjacent portions of Kino District Commercial commence operations. From the standpoint of the Iceplex and Field House, the economic prospects for these anchor elements, and Kino District as a whole, materially benefit from a 24 month period of debt service-free operations - generating programming revenue while simultaneously hosting over 100 tournaments, driving approximately 300,000 travel tournament guests to the site and creating over $100 million of site and regional spending. This intervening period's activity levels likewise assist Arena operations. With verifiable site traffic metrics, Arena management will be better able to achieve advanced booking of touring productions seeking viable sites. The absence of debt service obligations combined with significant Iceplex and Field House activity serves to prime the Facility Debt Service Reserves, but also generates heightened local and tourist interest in Kino District, solidifying the project for comprehensive anchor element, site and regional success.

Alternatively, under the Staggered Phasing Plan, the Kino District Financing obligations have a split start based on the completion of all anchor elements within each respective portion of the staggered phasing. Pursuant to the Staggered Phasing Plan, the Iceplex and Field House open in Q3-2023 and the Arena in mid-2026. This phasing permits Kino District the same initial fiscal, site and economic development benefits that prevail under the Existing Phasing Plan. Payment obligations for this portion of the Staggered Phasing Plan commence in Q3-2026. Pursuant to the Staggered Phasing Plan, completion of the Stadium and the Parking Garage are to be determined by Knott Development and the County. As such, the Kino District Financing obligations associated with these anchor elements will be delayed until the last of the facilities to reach completion.

ADMINISTRATIVE RISK MITIGATION

LAYER 5

Due to the multi-level lease structure of Knott Development's public private partnership with the County, there exist multiple and staggered payment timing regimes between facility subleases, facility leases and payments on the Kino District Financing. As a result, if not handled in a consistent manner, administrative interruption poses a risk to efficient servicing of the Kino District Financing. To reduce the multi-party and multi-level administrative risk associated with transmitting and collecting payments throughout the lease and debt servicing structure, Knott Development employs a single payment administration methodology.

TRUSTEE-BASED ADMINISTRATION

Pursuant to the terms of the Kino District Financing, CTL Capital utilizes a securitization trustee, Wells Fargo Corporate Trust, to manage all payments of debt service (the "Securitization Trustee"). While the Securitization Trustee is retained by CTL Capital, its collection, payment, reconciliation and reporting administrative services under the Kino District Financing are likewise available to Knott Development for efficient management of the Kino District lease payment structure.

Upon the closing of the Kino District Financing and the execution of the Ownership Leases and Operations Leases, Knott Development and the County will enter into a trust administration agreement for the Securitization Trustee to manage the receipt and processing of all cash flows related to each anchor element within Kino District.

OPERATIONS LEASE PAYMENT ADMINISTRATION

Pursuant to the terms of each Operations Lease with the County, monthly operational net cash flow from each Anchor Element is paid by KD Operations to the Securitization Trustee. Upon receipt, the Securitization Trustee allocates each Anchor Element's payment to an independent account maintained on behalf of the County. The Securitization Trustee provides the County and Knott Development with monthly reports per Anchor Element reflecting the net cash flow payments received from KD Operations and the payment of Operations Lease Rent to the County.

OWNERSHIP LEASE PAYMENT ADMINISTRATION

Pursuant to the terms of each Ownership Lease with KD Ownership, the Securitization Trustee aggregates monthly Operations Lease payments received by the County. On a quarterly basis, and using the cash flow paid to the County by KD Operations, the Securitization Trustee pays Ownership Lease rent to KD Ownership. The payments are made to an account maintained by the Securitization Trustee on behalf of KD Ownership. The Securitization Trustee provides the County and Knott Development with monthly reports of the aggregation of Operations Lease payments that will be used to make quarterly Ownership Lease Payments. In addition, the Securitization Trustee issues quarterly reports to Knott Development and the County of all Anchor Element payments made in respect of Ownership Lease requirements.

KINO DISTRICT FINANCING PAYMENT ADMINISTRATION

Following the payment of quarterly rent by the County to KD Ownership, the Securitization Trustee aggregates the payments to eventually make Kino District Financing payments. On a semi-annual basis, the Securitization Trustee distributes from the KD Ownership account account maintained for each Anchor Element the current Kino District Financing payment. Kino District Financing payments are reflected in the Securitization Trustee's reports to Knott Development and the County.

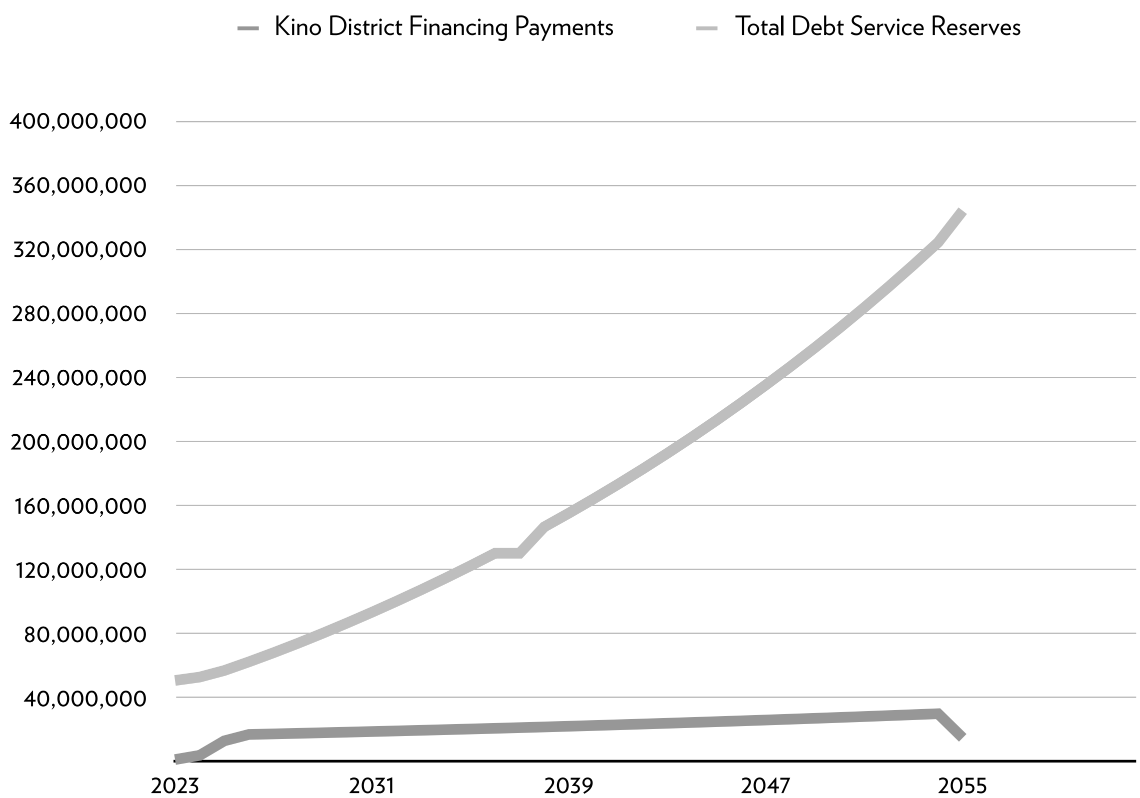
RISK MITIGATION EFFECTS

Based on the isolation of all collection, payment, reconciliation and reporting administrative functions with the Securitization Trustee, all payments required under any Operations Lease and Ownership Lease (as well as payments made on the Kino District Financing) are efficiently managed and tracked. With detailed monthly reporting provided by the Securitization Trustee to Knott Development and the County, any insufficient cash flows (whether in the aggregate or per Anchor Element) are identified and reported on a timing basis that precedes required payments on the Kino District Financing. As a result of this single level administration, Knott Development and the County are able to proactively and efficiently monitor and address any operational and financial issues that could cause an interruption of scheduled Kino District Financing payments. Or, as necessary, quickly utilize the accumulated debt service reserves to maintain Kino District Financing payment consistency.

RESERVE-BASED RISK MITIGATION

LAYER 6

As direct protection for timely payment of the Kino District Financing, Knott Development and the County will implement a per-facility debt service reserve structure as a buffer to risks posed by unforeseen reduced cash flows. Knott Development and the County anticipate reserving a significant portion of their net cash flows received from each Anchor Element (each a "Facility Debt Service Reserve"). Although subject to final analysis and agreement during the Determination Phase (as more fully described in the *Development Phasing* section of this Business Plan), the Facility Debt Service Reserve for each Anchor Elelment is presently modeled, on an overly conservative basis, as 75% of Knott Development's net cash flow and 100% of the County's net cash flow. The purpose of each Facility Debt Service Reserve is to provide a method for each Anchor Element to self-support its respective portion of the Kino District Financing. Given the substantial level of reserves per Anchor Element, the resulting reserve base materially protects the County and Knott Development from payment default. In fact, within each annual period during the Kino District Financing's amortization, the ratio of combined Facility Debt Reserves to current debt service payment obligations is, on its own, at least 2.0. In a majority of payment periods, it is in excess of 3.0. In both cases, exclusive of the Primary Debt Service Reserve.



FACILITY DEBT SERVICE RESERVE - ICEPLEX

Under the Iceplex's Operations Lease and Ownership Lease, Knott Development and the County will be required to reserve a portion of their shared excess cash flow generated from Iceplex operations. This reserve is net of all payment obligations within the Iceplex lease structure, including payments on the Kino District Financing. Pursuant to current modeling, the County is anticipated to reserve, subject to final adjustment during the Determination Phase, 100% of its net lease cash flow for use as an Iceplex-specific debt service reserve (the "County Iceplex Reserve"). In a corresponding fashion, Knott Development is anticipated to reserve, under the same subject-to-adjustment analysis, 75% of its net cash flow for use as an Iceplex-specific debt service reserve (the "Developer Iceplex Reserve"). Together, the County Iceplex Reserve and the Developer Iceplex Reserve generate, under this conservative model, an aggregate reserve of approximately $119.35 million during the term of the Kino District Financing. The combined reserve exists to address any unexpected net cash flow deficiency which impairs the Iceplex's ability to fund its portion of the semiannual Kino District Financing. Under the reserve terms, any deficient amount is split between the County (by drawing from the County Iceplex Reserve) and Knott Development (by drawing from the Developer Iceplex Reserve) on a basis where the County Iceplex Reserve contributes 55% of the deficiency and the Developer Iceplex Reserve contributes 45% - a prorated split of the Iceplex's financial need based on the net cash flow sharing arrangement between the parties.

KINO DISTRICT ICEPLEX

DEBT SERVICE RESERVE ACCOUNTS

	2023-2032	2033-2042	2043-2052	2053-2062
Knott Development Contribution From Shared Cash Flow	$7,239,108	$12,385,625	$18,177,674	$7,584,501
Pima County Contribution From Shared Cash Flow	$11,797,065	$20,183,982	$29,622,876	$12,359,927
END OF DECADE COMBINED RESERVE BALANCE	$19,036,174	$51,605,781	$99,406,331	$119,350,759

Annual Iceplex debt service reserve account accruals appear in the *Financial Appendix* accompanying this Business Plan

FACILITY DEBT SERVICE RESERVE - FIELD HOUSE

Under the Field House's Operations Lease and Ownership Lease, Knott Development and the County will be required to reserve a portion of their shared excess cash flow generated from Field House operations. This reserve is net of all payment obligations within the Field House lease structure, including payments on the Kino District Financing. Pursuant to current modeling, the County is anticipated to reserve, subject to final adjustment during the Determination Phase, 100% of its net cash flow for use as a Field House-specific debt service reserve (the "County Field House Reserve"). In a similar manner, Knott Development is anticipated to reserve, under the same subject-to-adjustment analysis, 75% of its net cash flow for use as a Field House-specific debt service reserve (the "Developer Field House Reserve"). Together, the County Field House Reserve and the Developer Field House Reserve generate, under this conservative model, an aggregate reserve of approximately $70.26 million during the term of the Kino District Financing. The combined reserve exists to address any unexpected net cash flow deficiency which impairs the Field House's ability to fund its portion of the semiannual Kino District Financing. Under the reserve terms, any deficient amount is split between the County (by drawing from the County Field House Reserve) and Knott Development (by drawing from the Developer Field House Reserve) on a basis where the County Filed House Reserve contributes 55% of the deficiency and the Developer Field House Reserve contributes 45% - a prorated split of the Field House's financial need based on the net cash flow sharing arrangement between the parties.

KINO DISTRICT FIELD HOUSE

DEBT SERVICE RESERVE ACCOUNTS

	2023-2032	2033-2042	2043-2052	2053-2062
Knott Development Contribution From Shared Cash Flow	$3,939,870	$6,872,671	$10,872,537	$5,033,591
Pima County Contribution From Shared Cash Flow	$6,420,529	$11,199,909	$17,718,209	$8,202,889
END OF DECADE COMBINED RESERVE BALANCE	$10,360,400	$28,432,980	$57,023,726	$70,260,205

Annual Field House debt service reserve account accruals appear in the *Financial Appendix* accompanying this Business Plan

FACILITY DEBT SERVICE RESERVE - ARENA

Under the Arena Operations Lease and Ownership Lease, Knott Development and the County will be required to reserve a portion of their shared excess cash flow generated from Arena operations. This reserve is net of all payment obligations within the Arena lease structure, including payments on the Kino District Financing. Pursuant to current modeling, the County is anticipated to reserve, subject to final adjustment during the Determination Phase, 100% of its net cash flow for use as an Arena-specific debt service reserve (the "County Arena Reserve"). In a corresponding manner, Knott Development is anticipated to reserve, under the same subject-to-adjustment analysis, 75% of its net cash flow for use as an Arena-specific debt service reserve (the "Developer Arena Reserve"). Together, the County Arena Reserve and the Developer Arena Reserve generate, under this conservative model, an aggregate reserve of approximately $13.76 million during the term of the Kino District Financing. The combined reserve exists to address any unexpected net cash flow deficiency which impairs the Arena's ability to fund its portion of the semiannual Kino District Financing. Under the reserve terms, any deficient amount is split between the County (by drawing from the County Arena Reserve) and Knott Development (by drawing from the Developer Arena Reserve) on a basis where the County Arena Reserve contributes 55% of the deficiency and the Developer Arena Reserve contributes 45% - a prorated split of the Arena's financial need based on the net cash flow sharing arrangement between the parties.

KINO DISTRICT ARENA

DEBT SERVICE RESERVE ACCOUNTS

	2023-2032	2033-2042	2043-2052	2053-2062
Knott Development Contribution From Shared Cash Flow	$1,350,000	$1,687,500	$1,687,500	$506,250
Pima County Contribution From Shared Cash Flow	$2,200,000	$2,750,000	$2,750,000	$825,000
END OF DECADE COMBINED RESERVE BALANCE	$3,550,000	$7,987,500	$12,425,000	$13,756,250

Annual Arena debt service reserve account accruals appear in the *Financial Appendix* accompanying this Business Plan

FACILITY DEBT SERVICE RESERVE - STADIUM

Under the Stadium Operations Lease and Ownership Lease, Knott Development and the County will be required to reserve a portion of their shared excess cash flow generated from Stadium operations. This reserve is net of all payment obligations within the Stadium lease structure, including payments on the Kino District Financing. Pursuant current modeling, the County is anticipated to reserve, subject to final adjustment during the Determination Phase, 100% of its net cash flow for use as a Stadium-specific debt service reserve (the "County Stadium Reserve"). In similar fashion, Knott Development is anticipated to reserve, under the same subject-to-adjustment analysis, 75% of its net cash flow for use as a Stadium-specific debt service reserve (the "Developer Stadium Reserve"). Together, the County Stadium Reserve and the Developer Stadium Reserve generate, under this conservative model, an aggregate reserve of approximately $13.76 million during the term of the Kino District Financing. The combined reserve exists to address any unexpected net cash flow deficiency which impairs the Stadium's ability to fund its portion of the semiannual Kino District Financing. Under the reserve terms, any deficient amount is split between the County (by drawing from the County Stadium Reserve) and Knott Development (by drawing from the Developer Stadium Reserve) on a basis where the County Stadium Reserve contributes 55% of the deficiency and the Developer Stadium Reserve contributes 45% - a prorated split of the Stadium's financial need based on the net cash flow sharing arrangement between the parties.

KINO DISTRICT STADIUM

DEBT SERVICE RESERVE ACCOUNTS

	2023-2032	2033-2042	2043-2052	2053-2062
Knott Development Contribution From Shared Cash Flow	$1,350,000	$1,687,500	$1,687,500	$506,250
Pima County Contribution From Shared Cash Flow	$2,200,000	$2,750,000	$2,750,000	$825,000
END OF DECADE COMBINED RESERVE BALANCE	$3,550,000	$7,987,500	$12,425,000	$13,756,250

Annual Stadium debt service reserve account accruals appear in the *Financial Appendix* accompanying this Business Plan

FACILITY DEBT SERVICE RESERVE - PARKING GARAGE

Under both the Garage Operations Lease and Ownership Lease, Knott Development and the County will be required to reserve a portion of their shared excess cash flow generated from Parking Garage operations. This reserve is net of all payment obligations within the Parking Garage lease structure, including payments on the Kino District Financing. Pursuant to current modeling, the County is anticipated to reserve, subject to final adjustment during the Determination Phase, 100% of its net cash flow for use as a Parking Garage-specific debt service reserve (the "County Garage Reserve"). In a corresponding manner, Knott Development is anticipated to reserve, under the same subject-to-adjustment analysis, 75% of its net cash flow for use as a Parking Garage-specific debt service reserve (the "Developer Garage Reserve"). Together, the County Garage Reserve and the Developer Garage Reserve generate, under this conservative model, an aggregate reserve of approximately $76.7 million during the term of the Kino District Financing. The combined reserve exists to address any unexpected net cash flow deficiency which impairs the Parking Garage's ability to fund its portion of the semiannual Kino District Financing. Under the reserve terms, any deficient amount is split between the County (by drawing from the County Garage Reserve) and Knott Development (by drawing from the Developer Garage Reserve) on a basis where the County Garage Reserve contributes 55% of the deficiency and the Developer Garage Reserve contributes 45% - prorated split of the Parking Garage's financial need based on the net cash flow sharing arrangement between the parties.

KINO DISTRICT PARKING GARAGE

DEBT SERVICE RESERVE ACCOUNTS

	2023-2032	2033-2042	2043-2052	2053-2062
Knott Development Contribution From Shared Cash Flow	$5,320,090	$8,693,918	$10,808,707	$4,344,608
Pima County Contribution From Shared Cash Flow	$8,669,776	$14,167,866	$17,614,189	$7,080,102
END OF DECADE COMBINED RESERVE BALANCE	$13,989,866	$36,851,651	$65,274,547	$76,699,257

Annual Parking Garage debt service reserve account accruals appear in the *Financial Appendix* accompanying this Business Plan

CROSS-APPLICATION OF FACILITY DEBT SERVICE RESERVES

LAYER 7

Depending on the unique circumstance, it is theoretically possible that one of the Facility Debt Service Reserves for a particular Anchor Element proves insufficient to supplement an Anchor Element's ability to service its portion of the Kino District Financing. Because these instances are even remotely possible, the Facility Debt Service Reserve structure requires an additional layer of risk mollification to round out the capabilities and blended benefits of the entire Risk Mitigation Structure.

RISK MOLLIFICATION - INSUFFICIENT ANCHOR ELEMENT PERFORMANCE

To the extent an Anchor Element suffers an unexpected and/or prolonged revenue interruption resulting in deficient net cash flow to meet its Operations Lease payment obligations, depending on the nature and duration of the financial disruption, it is theoretically possible that the applicable Facility Debt Service Reserve runs dry. Layer 7 of the Risk Mitigation Structure employs the use of all Facility Debt Service Reserves to address this issue. To do so, the Risk Mitigation Structure requires the use of Facility Debt Service Reserves from the other Anchor Elements to address the attendant financial issue.

For example, if the Iceplex suffered a revenue interruption and, consequently, KD Operations unable to meet its payment obligations to the County under the Operations Lease, the County Iceplex Reserve and the Developer Iceplex Reserve would be triggered to fill the void. If, however, the Iceplex revenue interruption ultimately erodes either, or both, of the County Iceplex Reserve and/or the Developer Iceplex Reserve, Knott Development (in the case of the depletion of the Developer Iceplex Reserve) or the County (in the case of the depletion of the County Iceplex Reserve), as applicable, is required under the Facility Debt Service Reserve structure to draw from the the Facility Debt Service Reserves it maintains for other Anchor Elements. In this manner, payments on the Kino District Financing, irrespective of the Iceplex's financial malaise, remain current. Furthermore, this effective cross-collateralization, provides Knott Development and the County, with the assistance of the Operations Committee, with additional time through which to develop a remedial action plan. The net effect is a further mollification of attendant per-Anchor Element financial risk and the substantive avoidance of external funding required of Knott Development or the County.

RISK MOLLIFICATION - DISPARATE RESERVE ACCRUALS

The ability to utilize Facility Debt Service Reserves between Anchor Elements also proves useful in remedying disparate funding levels of the reserves maintained for each Anchor Element. The Arena and Stadium exemplify the utility of this risk mitigation feature.

Both the Arena and the Stadium are expected to be subject to triple net management leases beneath the Operations Lease. The result is that the tenant is not only responsible for all facility operational and maintenance expenses, but receives the vast majority of facility net cash flow - the normal construct of a triple net management lease and the appropriate management format for these type of facilities. These aspects of a triple net lease mean that Arena and Stadium net cash flow distributable to KD Operations and, ultimately the County under the Operations Lease is less than the net cash flow distributable from other Anchor Elements. The lower level of distributable net cash flow means, correspondingly, that funding of the Arena's and the Stadium's Facility Debt Service Reserves is proportionately lower as well. This naturally occurring, lower rate of reserve accrual within these Facility Debt Service Reserves presents a potential risk associated with amount of time these Facility Debt Service Reserves can, during any potential financial difficulty, cover the portion of the Kino District Financing ascribed to the Arena and the Stadium.

This risk is mollified through the use of reserve cross-application and based on the inherent net cash flow production differences between, on the one hand, the combination of all other Anchor Elements and, on the other hand, the Arena and Stadium. The Iceplex, Field House and Parking Garage produce substantially greater amounts of net cash flow to Knott Development and the County than do the Arena and Stadium. Moreover, the debt service from the Kino District Financing ascribed to, on an individual basis, the Iceplex, Field House and Parking Garage is materially less than the debt service attributable to the Arena and Stadium. As a result, the debt service needs of all other Anchor Elements are far less than the debt service needs of the Arena and Stadium.

Due to the excess reserve capacity generated by other Anchor Elements, the risk that the Arena or Stadium-specific Facility Debt Service Reserves run dry due to their smaller size is mollified. If such an event occurred, the substantial excess reserves associated with all other Anchor Elements could be used to make payment on the Arena's or Stadium's portion of the Kino District Financing for a substantial period of time. The additional layer of risk mitigation provided by this "cross-collateralization" affords Knott Development and the County sufficient time within which to work with the Operations Committee to craft remedial plans to solve any unexpected financial deficiency experienced by the Arena or the Stadium and avoids the prospect of external funding by Knott Development or the County.

EMBEDDED DEBT SERVICE RESERVE
LAYER 8

PRIMARY DEBT SERVICE RESERVE

While the Facility Debt Service Reserve mechanism proves robust, admittedly it is operations based and subject to potential reduction from anticipated levels due to Anchor Element financial performance. Therefore, a penultimate financial backstop is required to mitigate the possibility, no matter how remote, that at any given point the Facility Debt Service Reserve system is insufficient to supplement semiannual payments under the Kino District Financing. As a result, Knott Development has embedded a $50 million primary debt service reserve within the Kino District Financing (the "Primary Debt Service Reserve").

The Primary Debt Reserve is not eligible for draw against development costs. Instead, it solely serves as a last resort defense against any combination of Anchor Element cash flow and/or Facility Debt Service Reserve deficiency that would otherwise cause a payment default under the Kino District Financing.

ADDITIONS TO PRIMARY DEBT SERVICE RESERVE

As discussed in the Development Phasing and Construction section of this Business Plan, during the Predevelopment Phase Knott Development expects to reduce the currently-embedded development and construction contingencies. As Knott Development moves through the Predevelopment Phase and reaches the Determination Phase with the County, to the extent that Knott Development reduces contingencies in any amount, the County and Knott Development will determine whether the contingency savings should be added to the Primary Debt Reserve, or if the construction contingency savings should be used to materially reduce the Kino District Financing, or if a hybrid approach should be used. To the extent the County and Knott Development choose the later, a reduction in the overall Kino District Financing will lessen the annual Anchor Element debt service and extends the application of all Facility Debt Service Reserves and the Primary Debt Service Reserve.

DISCRETE RISK MITIGATION
LAYER 9

Although staggered payment timing mechanics and Facility Debt Service Reserves guard against risks caused by unanticipated operational and financial risks, there remain substantial risks unique to the operation of Kino District's Anchor Elements. For instance, pandemic-oriented operations limitations and shutdowns as well as various restrictions or impediments to travel, including material weather-induced limitations. These types of events create the risk of interrupted Anchor Element cash flows and likewise pose a risk to the deterioration to Facility Debt Service Reserves. As a result, a buffer to protect the core financial disruption remedies provided by Knott Development is required.

PARAMETRIC CONTRACTS

Due to Knott Development's experience within the structured finance market, its principals have expertise with various forms of structured contracts designed to ameliorate discrete, complex and esoteric financial risks. Among these, parametric contracts are applicable to esoteric risks that can impact existing financial performance defenses. Similar to catastrophe bonds, parametric contracts exist as a customized "insurance" product to protect against specific financial liabilities generated by custom risk profiles chosen by the purchaser. In the case of Kino District, Knott Development is able to obtain paramedic contracts covering custom-defined risks chosen by Knott Development and the County that are associated with one Anchor Element or all. Parametric contracts differ from traditional municipal bond insurance in that they are not written to cover an entire loan. Instead, they focus on a specific period of debt service to be paid in the event of the covered catastrophic event. Due to the existence of all other components of the Risk Mitigation Structure, Knott Development believes, following discussions with primary issuers of parametric contracts, that the economic efficiency associated with a parametric contract sitting behind the Primary Debt Reserve would be economically feasible and a valuable addition to the Risk Mitigation Structure.

DEVELOPMENT GOVERNANCE

DEVELOPMENT GOVERNANCE

In order to achieve both Knott Development's and the County's goals within the Kino District public private partnership, Knott Development and its team are uniquely focused on the governance and coordination of all aspects of Kino District. Our goal is to comprehensively address the governance of Kino District's varied, discrete and interrelated elements in the context of successfully integrating Kino District within the existing Kino South Complex and the Kino North Complex. To do so, Knott Development will utilize a committee-based governance structure. Each committee group is designed to address a specific aspect of the development, construction, operation and community impacting aspects of Kino District. In order to avoid an impediment to the efficient execution of the Kino District master plan, Knott Development's committee structure provides overlapping and successive elements. These are designed to promote the County's and external stakeholder access to information, the ability to provide substantive input and participate in decision-making for the benefit of Kino District, its surrounding communities and the Southern Arizona region.

OVERVIEW OF GOVERNANCE STRUCTURE

KINO DISTRICT GOVERNANCE COMMITTEES

Knott Development, under its Kino District management subsidiary, will create six overlapping and successive governance bodies comprised of the following committees/groups:

- Kino District Development and Construction Committee (the "Development Committee")
- Kino District Architect Contractor Meeting Group (the "OAC Group")
- Kino District Operations Committee (the "Operations Committee")
- Kino District Capital Planning Committee (the "Capex Committee")
- Kino District Economic Development Committee (the "Economic Development Committee")
- Kino District Community Engagement Committee (the "Community Engagement Committee")

DEVELOPMENT COMMITTEE OVERVIEW

The Development Committee will focus on the coordination and execution of the development and construction of the Kino District facilities and ancillary amenities as set forth in the Kino District site plan. This effort will be conducted in conjunction with the operation of the existing Kino South Complex. The Development Committee will be comprised of Knott Development and County staff as well as key site stakeholders.

OAC GROUP OVERVIEW

The OAC Group will be comprised of a subset of the County representatives serving on the Development Committee. The members of the OAC Group will serve as the County's representatives at monthly Owner Architect Meetings ("OAC Meetings"). OAC Meetings serve as the monthly venue within which the entire development and construction team provides a detailed review of each Kino District facility's construction progress. The OAC Group will represent the Development Committee at OAC Meetings, providing insight to concerns, recommendations and solutions to construction issues affecting the Kino South Complex. The OAC Group also provides an efficient vehicle to update all County members of the Development Committee.

OPERATIONS COMMITTEE OVERVIEW

The Operations Committee will review and coordinate the logistics, scheduling, event management and facility performance of Kino District in conjunction with the Kino South Complex. The Operations Committee will commence its oversight and review functions as elements of Kino District are completed and become operational. The Operations Committee will be comprised of key stakeholders integral to the operations of Kino District and the Kino South Complex.

CAPEX COMMITTEE OVERVIEW

The Capex Committee will oversee and review the long-term capital planning needs of Kino District. The committee will be comprised of Kino District facility management (both anchor and support facilities), Knott Development and County staff. The Capex Committee will work with Knott Development and its facilities assessment consultant, Sightlines, to assess, plan and execute significant system replacement and other capital expenditure initiatives. Aside from addressing the capital planning aspects of Kino District, the Capex Committee's function includes maintaining Kino District in a manner that promotes a seamless transition of the facilities to County ownership at the conclusion of the Master Ground Lease.

ECONOMIC DEVELOPMENT COMMITTEE OVERVIEW

The Economic Development Committee will review, assess and plan adjustments to Kino District events contributing towards local and regional economic development activity. The committee will be comprised of applicable Kino District facility management, Knott Development, County staff and additional representatives from the Southern Arizona region selected by Knott Development. The Economic Development Committee will evaluate the continuing economic development functions of and initiatives within Kino District, alone, and in combination with events at the Kino South Complex and the Kino North Complex.

COMMUNITY ENGAGEMENT COMMITTEE OVERVIEW

The Community Engagement Committee will facilitate and evaluate Kino District's impact on surrounding communities. This task will be performed by evaluating Knott Development's outreach efforts to other areas of the County and the City. A continuing evaluation of programs developed within Kino District by Knott Development to foster community engagement will be central to the committee's work.

KINO DISTRICT DEVELOPMENT COMMITTEE

COMMITTEE COMPOSITION

The Development Committee will comprised of the following stakeholders and will be chaired by Mr. Knott in his capacity as Knott Development's managing principal:

Knott Development Representatives
- Knott Development
- Hensel Phelps Construction
- JLG Architects
- Kino District Iceplex Management
- Kino District Field House Management
- Kino District Arena Management
- Kino District Stadium Management
- Kino District Parking Management

County Designated Representatives
- Kino Stadium Director
- Project Management, Office Manager
- Deputy County Administrator for Public Works

Kino District's site plan has been designed to provide a facility composition, campus layout and on-site amenity elements conducive to hosting large-scale, multipart athletic tournaments with national sponsors. As a result, and due to the combined impact of tournament and large-scale events hosted by Kino South Complex and Kino North Complex as well as Knott Development's coordination agreement with the primary adjacent landowner, certain Development Committee meetings will also be attended by the following stakeholders and others identified and selected by Knott Development:

4D Properties	Tucson Junior Roadrunners	Tucson Adult Hockey League
MyHockey Tournaments	3Step Sports	Zona Volleyball

COMMITTEE ACTIVITIES AND RESPONSIBILITIES

The Development Committee will meet on a monthly basis following the MDPA's execution, with the first meeting occurring within 15 days of the Development Agreement's execution.

The first meeting of the Development Committee will address the then-current Kino District site plan in order to provide detailed information regarding the elements to be set forth in Knott Development's development package submission. In tandem with the presentation of the development package elements, Knott Development will seek comments, suggestions and feedback from Development Committee members regarding the overall site plan and its implementation based on Development Committee members' discreet field and scope expertise.

Following its initial meeting, the Development Committee's meetings will focus on the execution and implementation of the Kino District development plan. Work will encompass review and input regarding the master plan and civil design plans, including infrastructure and offsite improvement matters. At each subsequent meeting, Knott Development and selected members of its development team will provide documentary and visual updates to solicit Development Committee member comments and input.

As Knott Development progresses to site preparation activities, the Development Committee will provide comment and input regarding site work phasing and Knott Development's civil construction plan. Prior to the initial Development Committee meeting at which site preparation work plans will be reviewed, Knott Development and its applicable development team members will meet with Stadium District representatives to begin the process of developing a coordination plan to avoid unreasonably interrupting, interfering or conflicting with Kino South Complex events and activities. Knott Development and its applicable development team members will provide the coordination plan to the Development Committee for its review and input prior to the commencement of site preparation work. For the duration of Kino District site preparation activities, Knott Development will provide updates to the Development Committee regarding the status, amendments to phasing or any other material matters related to its civil construction work.

Upon completion of the initial design set for each Kino District facility, Knott Development will present the plans to the Development Committee for review and input, provided, however, that Knott Development may incorporate specific features within a facility's design set to which Knott Development is bound by contractual agreements with facility tenants and/or anchor programs. As Knott Development and its design team update facility design plans in preparation for permit approvals, Knott Development will provide the Development Committee with such updated design sets for review and comment.

As Knott Development finalizes its detailed facility construction phasing plans and schedule, it will provide the Development Committee with detailed schedule information for its review. Prior to the initial Development Committee meeting at which construction phasing schedules will be reviewed, Knott Development and its applicable development team members will meet with Stadium District representatives to develop a coordination plan to avoid unreasonably interrupting, interfering or conflicting with Kino South Complex events and activities. Knott Development and its applicable development team members will provide the coordination plan to the Development Committee for its review and input prior to the commencement of facility construction work. For the duration of Kino District facility construction activities, Knott Development will provide updates to the Development Committee regarding the status, amendments to any other material matters related to its facility construction work. In between Development Committee meetings, Knott Development will communicate directly with Stadium District representatives with any interim updates or modifications to the construction phasing schedule that could directly or indirectly impact Kino South Complex activities.

The Development Committee will conclude its work and disband following final completion of the construction of all Kino District facilities. Subsequently, should Knott Development require any future facility or site plan change to Kino District, it will coordinate such activities with the Stadium District, County Project Management and County Real Estate.

KINO DISTRICT OWNER ARCHITECT CONTRACTOR MEETING GROUP

GROUP COMPOSITION

The OAC Meeting Group will be initially comprised of the Project Manager from the County's Project Management division with additional County representatives from the Development Committee added at later dates in the County's discretion.

GROUP ACTIVITIES AND RESPONSIBILITIES

The OAC Meeting Group will attend monthly OAC Meetings conducted by Knott Development and Hensel Phelps Construction ("Hensel Phelps"). During OAC Meetings, group members will be invited to present/raise construction-related matters to which the Development Committee has addressed and/or has sought, clarification from Knott Development and/or Knott Development's team members. The OAC Meeting Group will provide the Development Committee with an efficient method of accessing OAC Meetings and the ability to gather additional and specific construction-related information from Knott Development's entire construction and development team without over-capacitating the intended function of OAC Meetings. Knott Development will provide members of the OAC Meeting Group (and the Development Committee) with OAC Meeting agendas, working papers and other materials provided to all other OAC Meeting attendees in order to provide the Development Committee with both transparent communications regarding OAC Meeting matters and to provide an opportunity to present OAC Meeting Group members with questions and topics of discussion for OAC Meeting Group members to raise at OAC Meetings on behalf of the Development Committee.

KINO DISTRICT OPERATIONS COMMITTEE

GROUP COMPOSITION

The Operations Committee will comprised of the following stakeholders and will be chaired by Mr. Knott in his capacity as Knott Development's managing principal:

Knott Development Representatives
- Knott Development
- Kino District Iceplex Management
- Kino District Field House Management
- Kino District Arena Management
- Kino District Stadium Management
- Kino District Parking Management

County Designated Representatives
- Kino Stadium Director (or designee)

Because Kino District's development and operations plan relies heavily on anchor athletic programs and national tournament sponsors as a part of each facility's financial success and continuing operations, certain Operations Committee meetings will also be attended by the following stakeholders as requested by Knott Development:

Tucson Junior Roadrunners

Tucson Adult Hockey League

Zona Volleyball

MyHockey Tournaments

3Step Sports

COMMITTEE ACTIVITIES AND RESPONSIBILITIES

Upon commencement of Iceplex construction, the Operations Committee will have its initial meeting to review the operations and scheduling plan proposed by Iceplex management. As construction begins on each other Kino District facility, the Operations Committee will conduct an initial, facility-specific meeting in addition to its quarterly meeting schedule. Once all facility elements of Kino District have commenced construction activities, the Operations Committee will return to its normal quarterly meeting schedule.

Aside from facility-specific initial meetings, once Iceplex construction has begun, the Operations Committee will meet at the end of each calendar quarter. At each quarterly meeting, the Operations Committee will review and provide input to Iceplex, Field House, Arena, Stadium and Parking Garage management teams and their respective operating plans and daily/event scheduled (as applicable and reasonable) are composed.

In addition to management plan reviews, the Operations Committee will review the past quarter's facility management schedules and event coordination, examine scheduling gaps, identify current Iceplex, Field House, Arena, Stadium and Parking Garage utilization rates and review the performance of the Commercial and Hospitality components. Combined with usage-related reports, the Operations Committee will examine and discuss financial reports provided by each Kino District facility to identify revenue, expenses, maintenance or other areas of financial concern to ensure a quick identification and efficient remedial action is being taken by facility management teams.

Jointly with the logistics-oriented review of Kino District facilities and amenities, the Operations Committee will review the coordination of Kino District's facilities and event management with those of Kino South Complex. The Operations Committee will provide input to both Kino District and Kino South Complex regarding adjustments to coordination efforts, remedial actions required to foster a seamless event hosting and resident/tourist experience and other general or specific action items for all management teams to address.

During each quarterly meeting, the Operations Committee will review the upcoming two months of daily and event schedules for Kino District and Kino South Complex. The goal of this review is to identify logistical challenges resulting from simultaneous events and to adjust operations plans where necessary to accommodate daily and special event customers. Moreover, to the extent that past coordination or performance issues have been raised, the Operations Committee will provide guidance and recommendations to facility-impacted management teams in an attempt to address and mollify the identified issues.

With respect to long-term planning, the Operations Committee will review the succeeding six months of events scheduled at each Kino District and Kino South Complex facility. Similarly, the Operations Committee will evaluate open blocks of facility schedule time to monitor and address any seemingly systemic management or event-related issues.

Finally, once per calendar year, the Operations Committee will receive a report from each Kino District and Kino South Complex facility (or the Kino South Complex, itself) detailing usage and performance metrics (financial and otherwise) associated with facility anchor programming and local users. Each facility report will also include a preliminary list of event terminations and replacements and significant unfilled schedule blocks.

KINO DISTRICT CAPEX COMMITTEE

COMMITTEE COMPOSITION

The Capex Committee will comprised of the following stakeholders and will be chaired by Mr. Knott in his capacity as Knott Development's managing principal:

Knott Development Representatives
- Knott Development
- Kino District Iceplex Management
- Kino District Field House Management
- Kino District Arena Management
- Kino District Stadium Management
- Kino District Parking Management

County Designated Representatives
- Project Management Office Manager (or designee)

COMMITTEE ACTIVITIES AND RESPONSIBILITIES

Although Knott Development believes in detailed facility capital planning, because Kino District will be turned over to the County at the expiration of the Master Ground Lease, long-term monitoring, assessment and planning for facility capital expenditures is paramount. As a result, Knott Development is partnering with Sightlines, a leading facility condition assessment and indexing consultant, to provide independent assessments of Kino District's capital asset management and replacement program. Sightlines will develop a facilities condition assessment and index that will be updated on a periodic basis (the "Capex Plan"). During periodic updates (usually every five years), the Capex Plan will be updated to take into account current maintenance schedules, equipment repair/failure (even if under warranty) and bringing current previously anticipated capital system replacement financial projections.

The Capex Committee will meet on a semi-annual basis. Its first meeting will occur following the completion of the Iceplex where the Initial Capex Plan will be presented. As Kino District's remaining facilities individually reach final completion, each completed facility will be added to the Capex Plan for the Capex Committee's review at the next succeeding meeting.

KINO DISTRICT ECONOMIC DEVELOPMENT COMMITTEE

COMMITTEE COMPOSITION

The Economic Development Committee will comprised of the following stakeholders and will be chaired by Mr. Knott in his capacity as Knott Development's managing principal:

Knott Development Representatives
- Knott Development
- Visit Tucson Representative
- Sun Corridor Representative
- City Economic Development Representative
- Southern Arizona Leadership Council Representative

County Designated Representatives
- Project Management Office Planner
- Economic Development Representative
- Attractions & Tourism Representative

Because the economic development opportunities driven by Kino District is tied directly to activities maintained at its anchor facilities, activities maintained at the Kino South Complex and the Kino North Complex as well as events held at the Arena and Stadium, Knott Development may invite the following or other local participants to Economic Development Committee meetings to review current Kino District economic development results and initiatives or to seek additional guidance on how to augment the economic development benefits stemming from Kino District for the benefit of the Southern Arizona region :

Tucson Junior Roadrunners	Tucson Adult Hockey League	Zona Volleyball
MyHockey Tournaments	3Step Sports	Hospitality Management
Commercial Management	Restaurant Industry Groups	Local Business Organizations
Tucson International Airport	CPLC Representatives	Iceplex Management
Field House Management	Arena Management	Stadium Management

COMMITTEE ACTIVITIES AND RESPONSIBILITIES

The Economic Development Committee will meet on a quarterly basis following the completion of the Iceplex and the Field House. The committee will review Kino District events and operations contributing to the economic development initiatives and goals of the County, City and the Southern Arizona region. As part of its meetings, the Economic Development Committee will review information and data available from the Operations Committee to further examine facility and site engagement metrics as well as general tournament, hotel occupancy, tournament participant and retail/dining data generated by Kino District. In addition, the Economic Development Committee will solicit data from Visit Tucson, Sun Corridor, the County and the City regarding the impact of Kino District on the overall local and regional tourism and business markets.

Knott Development will utilize data available from point of sale software integration platforms used within Kino District to provide the Economic Development Committee with a baseline set of financial metrics to analyze the financial impact of Kino District. Knott Development will likewise use its industry relationships to obtain relevant market data regarding Kino District event-related spending outside of Kino District. When these sources are combined with, for example, economic impact and job creation data, the Economic Development Committee will maintain a consistent understanding of the aggregate impact of Kino District on the local and regional economy.

Data and trend reports provided to the Economic Development Committee will be utilized to establish short and long-term plans to be provided and recommended to the Operations Committee for its consideration in assisting Knott Development and Kino District facility management in establishing and meeting the region's economic development goals. In this manner, Kino District will avoid internal economic stagnation and will ameliorate any unintended negative economic impact to the local and regional economies that could otherwise occur without a monitoring and modification strategy.

KINO DISTRICT COMMUNITY ENGAGEMENT COMMITTEE

COMMITTEE COMPOSITION

The Community Engagement Committee will comprised of the following stakeholders and will be chaired by Mr. Knott in his capacity as Knott Development's managing principal:

<u>Knott Development Representatives</u>
- Knott Development
- Athletics Inclusion Foundation Representative
- CPLC Representative
- City Representative
- Local Neighborhood Leaders

<u>County Designated Representatives</u>
- Community & Workforce Development Representative
- Health Department Representative
- Community/Neighborhood Representatives

COMMITTEE ACTIVITIES AND RESPONSIBILITIES

The Community Engagement Committee will facilitate and evaluate the community-related activities and engagement of Knott Development as well as Iceplex and Field House management and, to the extent applicable, Arena and Stadium management. The committee's oversight and guidance extends to the community outreach initiatives in which Knott Development will engage following the execution of the Development Agreement with the County, specialized programming established at the Iceplex and the Field House, and guidance regarding underserved community-specific programming in which the Athletics Inclusion Foundation will assist anchor programs resident at the Iceplex and Field House. The Community Engagement Committee will meet on a quarterly basis, beginning with a meeting within 30 days following the execution of the Development Agreement.

With respect to nearby residential communities, at each committee meeting, Knott Development will provide a report consisting of the past quarter's community outreach activities and its perception of those engagements. Representatives of the communities with whom Knott Development engaged during the reporting period will be invited to attend the meeting and provide their feedback regarding Knott Development's engagement, as well as their suggestions for further engagement and initiatives that both Knott Development and the Community Engagement Committee should consider. As a result of the direct community feedback, Knott Development will work with committee representatives to refine, expand, modify or otherwise alter its community outreach efforts to better and more reasonably meet local community's needs.

On a semi-annual basis, the Community Engagement Committee will receive a report from Iceplex and Field House management regarding their respective community-oriented programming. The committee will provide its input and guidance on the programming initiatives and any suggested modifications or enhancements to such programming.

On a semi-annual basis, the Community Engagement Committee will receive a report from the Athletics Inclusion Foundation regarding its support initiatives for underserved children to participate in programming offered at the Iceplex and Field House. The committee will provide its input and guidance on the funding initiatives and any additional local constituencies committee members believe could be assisted by the Athletics Inclusion Foundation.

PERFORMANCE REVIEWS BY GOVERNANCE COMMITTEES

Review of the performance of Kino District and Knott Development will be performed through the various governance committees. The committee structure provides a natural mechanism for review and oversight, direct engagement between the County and Knott Development (as well as anchor element management teams) and a proactive method for identifying, addressing and remedying lapses within the performance metrics set forth below.

KINO DISTRICT DEVELOPMENT AND CONSTRUCTION

Metrics related to the development and construction of Kino District will be reviewed by the Development Committee and will include various measurable aspects of the development and construction process, including, adherence to the master development schedules, master development budget management, and master construction budget management as well as other metrics requested by County-designated members of the Development Committee. Performance metrics will be reviewed on a quarterly basis during the development and construction period of all Kino District elements.

OPERATIONS-RELATED METRICS

Performance metrics related to the operation of Kino District and its elements shall be reviewed by the Operations Committee on a quarterly basis. Reviews will focus on core operational aspects of each anchor element (Iceplex, Field House, Arena, Stadium and Parking Garage) as well as economic data obtained by Knott Development from Kino District Commercial and Kino District Hospitality. Among the performance metrics to be reviewed by the Operations Committee will be the economic performance of each anchor element (profitability, cash flow, management of debt service, maintenance and growth of debt service reserves, facility usage, facility employment) and coordination by Knott Development with Kino South Complex and Kino North Complex as it relates to the operation of Kino District in conjunction with County-operated facilities.

CAPEX-RELATED METRICS

The Capex Committee will perform an annual review of the Capex Plan for each anchor element within Kino District (Iceplex, Field House, Arena, Stadium and Parking Garage) and shall make recommendations as to any items within each respective Capex Plan that require adjustment based on the current performance of anchor element capital assets and systems. The Capex Committee will provide Knott Development with a review of Knott Development's and Sightlines' construction of the then-current facilities condition assessment and facilities condition index and recommendations regarding any amendments thereto and forward planning actions that require adjustment. The Capex Committee will also include additional capital asset metrics as reasonably determined by the County-designated members of the Capex Committee.

ECONOMIC DEVELOPMENT-RELATED METRICS

Performance metrics related to Kino District's contributions to the local and regional economy shall be reviewed on a quarterly basis by the Economic Development Committee. Reviews will focus on sales and use taxes generated directly within Kino District, employment metrics directly related to Kino District anchor elements (Iceplex, Field House, Arena, Stadium and Parking Garage) as well as those related to Kino District Commercial and Kino District Hospitality. Reviews will also focus on the number of tournaments, tournament guests, hotel room nights generated by Kino District tournaments as well as events hosted at the Arena and Stadium. In addition, Knott Development shall prepare updated projections as to the long-term economic development effects of Kino District on the local and regional economy. Reviews will include additional community engagement-related metrics as reasonably determined by County-designated members of the Economic Development Committee.

COMMUNITY ENGAGEMENT-RELATED METRICS

Performance metrics related to Knott Development's community engagement activities and results will be reviewed by the Community Engagement Committee. These reviews, performed on a quarterly basis, will include both Knott Development's community-related engagement as well as the activities, community investments and support provided by the Athletics Inclusion Foundation. The review will extend to those community-related support activities in which Iceplex and Field House management teams create within their anchor elements. Reviews will include additional community engagement-related metrics as reasonably determined by County-designated members of the Community Engagement Committee.

IDENTIFIED DEFICIENCIES

To the extent that a deficiency associated with Knott Development's or Kino District's performance within any committee review is identified (except metrics related to development and construction which will be addressed and remedied within the OAC Meeting Group, at OAC Meetings and within the Development Committee, itself), Knott Development shall lead the process of remedying the identified deficiency, presenting the identifying committee with corrective plan within 90 days of the review in which the deficiency was identified. The remediation plan shall be presented to the applicable committee at its next quarterly meeting, shall be subject to review and discussion by the applicable committee and with a final remediation plan delivered to the applicable committee within 30 days. Following the implementation of a remedial performance metric plan, Knott Development shall continue to address and remedy any continuing performance metric issues until such matters are resolved.

ANNUAL REPORT

By the end of the first calendar quarter of each year, beginning in 2024, Knott Development will prepare a report summarizing the operational, financial, economic development and community engagement performance of Kino District, including the results of all quarterly reviews by each committee. Included in the annual report shall be a summary of any performance metric deficiencies identified, the remedial plan adopted by Knott Development and the results of implementing any remedial performance metric plan. The annual report shall also provide a projection of Kino District's expected performance within each of these categories as well as discussion and analysis of past and projected performance as determined by Knott Development. The annual report shall be reviewed by each governance committee with a final report issued to the committees by the end of the second calendar quarter. Concurrently with the delivery of the final report to each committee, Knott Development will provide a copy of the report to the County Administrator for delivery to the Board of Supervisors.

KNOTT

DEVELOPMENT

DEVELOPMENT TEAM

KINO DISTRICT DEVELOPMENT TEAM

KNOTT DEVELOPMENT

KNOTT DEVELOPMENT | MASTER DEVELOPMENT PARTNER

Knott Development is a comprehensive facility and infrastructure development firm serving the municipal, state, higher education and corporate markets. With its unique understanding of the development, construction, accounting, legal and financing aspects of credit-rated real estate development, combined with a nationally recognized team, Knott Development customizes individual projects based on each client's distinct development and economic requirements.

Knott Development is comprised of development management and financing professionals who, together, have over 50 years of combined real estate and capital project development management and financing experience within the public private partnership, higher education, municipal, sports, commercial, and retail markets. With over $1 billion in development and capital projects, $1.5 billion in real estate-related financing and development management experience, $250 million in public private partnership developments and $5 billion of complex, structured, institutional and investment fund financings, Knott Development is well-suited to lead its team in the development of Kino District.

CTL CAPITAL

CTL CAPITAL | DEVELOPMENT FINANCING

CTL Capital is a market leader in the structured finance market, providing net lease financings for public/private projects supported by lease securitizations, asset securitizations and private placements. CTL Capital's principals have a demonstrated track record as pioneers in credit tenant lease financing, having played a leading role in the creation of the credit tenant lease financial market. CTL Capital has completed over $20 billion in net lease financings which have been secured by leases covering nearly 40 million square feet in over 30 states and throughout six countries.

goulston&storrs

GOULSTON & STORRS | LEGAL COUNSEL

Goulston & Storrs' Public Private Partnership Group is an interdisciplinary team of creative, experienced lawyers, many of whom have previously served in government, who provide both public and private sector clients with legal and strategic advice on complex public private projects and initiatives.

PHILLIPS
REALTY CAPITAL

PHILLIPS REALTY CAPITAL | FINANCIAL ADVISOR

Phillips Realty Capital is a premier Mid-Atlantic commercial real estate finance company that has been actively involved in providing financial advisory services to quality development sponsors since 1933. Based in Washington, DC, Phillips Realty Capital has evolved into a leading capital solutions provider for commercial real estate owners, annually completing over $1 billion in transactions.

HENSEL PHELPS
Plan. Build. Manage.

LOCAL PARTNER

HENSEL PHELPS CONSTRUCTION | DESIGN BUILDER

Since its humble beginning in 1937, Hensel Phelps has grown as a family of hard-working individuals into a world-class builder. Exploring new markets and partnerships, investing in diversity and our communities, and forging new opportunities, we are dedicated to serving our people, our neighbors, our partners and all those who aspire to build a better future. Hensel Phelps is committed to continuing our legacy - not only through brick and mortar landmarks, but through the integrity of our team members. Through the years, these core values have represented our company as well as each individual that make our projects possible: Ownership, Integrity, Builder, Diversity and Community. These values, paired with our ambitious vision and drive to succeed, are what define Hensel Phelps and will ensure our continued growth and excellence for generations to come. With a portfolio of over $30 billion design-build deliveries, Hensel Phelps plans, builds and manages commercial, sports and entertainment and speciality projects nationwide, including $3.6 billion in athletic facilities and $18 billion in parking structures.

JLG
architects

JLG ARCHITECTS | ATHLETIC FACILITIES DESIGN

JLG is one of the largest and most awarded dedicated sports architecture studios in the country, delivering collaborative solutions that balance athletics, entertainment, revenue opportunities, budget flexibility and operational efficiencies. With over 100 active multi-sport venues in design or construction across the country and hundreds more in its portfolio, JLG is known for the flattest ice, the smoothest turf, and the coolest fan experience in the industry. JLG delivers the entire game-day product in-house, from high performance and life cycle cost investigations to technology and security integrations to branding and community engagement.

LOCAL PARTNER
DFDG ARCHITECTURE | PARKING GARAGE DESIGN

Through their client-first approach, DFDG adapts solutions by drawing from their expertise in parking structure design, projects involving multiple stakeholders, and proven ability to successfully partner with other architects, contractors and developers.

LOCAL PARTNER
THE PLANNING CENTER | MASTER PLANNING & LANDSCAPE ARCHITECTURE

Since our inception, over 30 years ago, The Planning Center has enjoyed a reputation as one of the premiere consulting firms in Arizona and has provided planning solutions for large-scale projects at local, regional and state levels. Our team has established a trademark for excellence in land planning, community visioning and urban design. We recognize that the present is the key to the future. Thus, our philosophy prioritizes culture, sustainability and environment. We integrate a sense of place along with character and identity to create state-of-the-art plans and implementation tools. Our experience extends to in excess of 60 master planned developments, including leading the master planning effort for the Kino Sports Park, authoring the Kino Planned Area development and working with Kino District-adjacent developers on a complimentary development plan.

LOCAL PARTNER
HAYDON BUILDING CORP. | CIVIL SITE SUBCONTRACTOR

Haydon Building Corp. is a full-service general building contractor, with exceptional heavy civil general contracting skills. Their in-house landscaping division, Earthscapes, has the ability to self-perform most of the major civil scopes and provide technical guidance during reconstruction. Our portfolio includes heavy civil work of roadways, bridges, water, sewer, water treatment, site development, flood control, earthwork and concrete.

LOCAL PARTNER

BARKER CONTRACTING | SOLAR SUBCONTRACTOR

Barker Contracting has established itself as an innovative and dynamic company built upon integrity, with a deep commitment to quality services. Barker Contracting manages the construction of solar projects for both large companies and investors looking to build a better environment for tomorrow. Our experienced and knowledgable team has worked with the world's leading innovators to build half-MW or larger, fixed tilt, single axis and dual axis solar arrays.

LOCAL PARTNER

DIBBLE ENGINEERING | CIVIL ENGINEER

Dibble Engineering provides civil engineering services from concept to closeout, including land development, flood control, infrastructure rehabilitation, survey, transportation, water and structures. Our sense of purpose drives out commitment to serving our employees, clients, partners and communities. We believe in making a difference because our set of values keep us focused on what's most important to us, growth that is fueled by our clients' success, achieving greatness by investing in our people, giving our communities, earning trust and loyalty, building our reputation together and always acting with professionalism.

OBERNEL ENGINEERING | MECHANICAL & ELECTRICAL ENGINEER

Since its inception in 1992, Obernel has completed over 350 athletic and event center facilities and has tremendous experience in providing the appropriate energy efficient heating, ventilation, air conditioning, plumbing and fire protection designs. Obernel has completed over 250 projects with JLG Architects over the last 28 years, including 50 athletic facilities.

HEYER ENGINEERING | STRUCTURAL ENGINEER

Over the past 37 years, Heyer Engineering has completed more than 12,000 projects in 40 different states. We utilize a variety of engineering computer programs to aid in the efficient and accurate design of our projects. These programs include finite element analysis, design of steel, concrete, pre-stressed concrete and timber components, footings, seismic and 3D analysis. Heyer Engineering has completed over $650 million of sports and entertainment facilities across seven states.

B32 ENGINEERING GROUP | ICE SYSTEMS DESIGN

B32 Engineering Group specializes in the planning, consultation, design and construction administration of the ice system for ice arena facilities. An essential part of any ice system, we provide full design services and consultation on waste heat recovery systems to maximize the ice system's energy recovery potential. As a nationally recognized leader in the ice rink industry, B32 has completed over 250 ice rink projects ranging from community facilities, outdoor skating surfaces, curling facilities, Division I college facilities and NHL facilities.

LOCAL PARTNER

KITTELSON & ASSOCIATES | TRANSPORTATION ENGINEER & ROADWAY DESIGN

Specializing in transportation engineering and planning, Kittelson brings expertise in roadway in roadway and multimodal facility planning and final design, traffic operations and safety, traffic signal design and lighting design. Recent projects include Tucson Marketplace/Bridges Development, Tucson Premium Outlets, Broadway/Euclid Avenue to Country Club and Ina Road at Oracle Road Pima County.

LOCAL PARTNER
NINYO & MOORE | GEOTECHNICAL DESIGN

Ninyo & Moore, a minority-owned firm, provides exceptional geotechnical engineering, engineering geology, environmental engineering, hazardous materials, construction inspection and testing, geophysical, forensic engineering and industrial hygiene services to the public and private sectors. Ninyo & Moore has provided their services to private corporations, public agencies and professional consultants on more than 9,500 projects in Arizona and 1,050 projects in Pima County.

LOCAL PARTNER
PHOENIX COMMERCIAL ADVISORS | COMMERCIAL REAL ESTATE BROKER

Phoenix Commercial Advisors was formed in 1994 on a platform of retail-only real estate, with specialists providing real estate brokerage services to restaurants, retailers, developers, landlords and investors throughout Arizona. Over the past 25 years, we have competed more retail leases and sales than any other Arizona firm. Since inception, Phoenix Commercial Advisors has represented clients in leasing and selling over 36 million square feet of retail space and have sole over $1.5 billion of retail investments. Today, we exclusively represent more than 110 retailers and restaurants in Arizona.

MCNEILL HOTEL COMPANY | HOTEL DEVELOPER & OPERATOR

McNeill Hotel Company is a Germantown, Tennessee-based hotel development and management firm. The company's current portfolio includes 27 properties across the United States, focusing on select service hotels with a growth strategy based on a mix of new hotel development, meaningful acquisitions and third party management agreements.

BRICK STREET CAPITAL | HOTEL DEVELOPER & OPERATOR

Brick Street Capital is a vertically integrated, best-in-class developer, builder and manager of real estate assets comprised of industry veterans with over 50 years of cumulative real estate, finance and investment experience. Brick Street Capital utilizes the breadth of its in-house analysis, financing and construction capabilities, as well as its extensive network of partners to fulfill it mission of creating value. The company's business model is unique in its ability to own, operate and develop hotels, retail, multifamily and senior housing.

LOCAL PARTNER

CHICANOS POR LA CAUSA | COMMUNITY OUTREACH, ENGAGEMENT & INCLUSION PARTNER

Chicanos Por La Causa believes that all people, without discrimination, should have the power to live a life of dignity. Our programs work to help individuals and families achieve self-sufficiency by providing accessible healthcare, affordable housing, a quality education, access to meaningful work and political representation. CPLC was founded in 1969 to confront discrimination against Mexican-American students in Phoenix as part of the larger movement led by Cesar Chavez, Dolores Huerta and others. Today, CPLC has grown to defend the rights of people of all backgrounds, regardless of ethnicity, race, age, gender, orientation, or immigration status, while maintaining a special competence in meeting the needs of the Latino and Spanish-speaking population. CPLC provides direct services impacting almost 380,000 lives annually in Arizona, Nevada, New Mexico and Texas.

ATHLETICS INCLUSION FOUNDATION | KINO DISTRICT FOUNDATION

The Athletics Inclusion Foundation's mandate is to provide financial support for economically disadvantaged, visually-impaired, indigenous and minority youth as well as displaced teenagers and children within the foster care system to participate in Kino District programming. Support recipients will receive grants covering the costs associated with program fees, team fees, uniforms, practice sessions and equipment. The Athletics Inclusion Foundation's community engagement and support will also extend to children with disabilities and those with developmental disorders who could benefit from the creation of customized programming within Kino District Iceplex and Kino District Field House.

LOCAL PARTNER
4-D PROPERTIES | DEVELOPMENT COORDINATION PARTNER

4-D Properties is a locally-based, commercial and real estate business that has operated in Tucson for over 45 years. The firm is a third generation, family-owned business with close ties to the local community and expertise in acquisition, development and management of commercial real estate assets.

EDGE SPORTS GROUP

EDGE SPORTS GROUP | ICEPLEX AND FIELD HOUSE FACILITY MANAGEMENT

Edge Sports Group works with communities, schools and organizations to create a sustainable year round athletic ecosystem that combines our experience and expertise in programming, operations, marketing and advertising. Edge Sports Group has completed over 630,000 square feet of playing surface and tenant space encompassing over $120 million of development projects that serve over 4.3 million visitors.

MYHockey TOURNAMENTS

MY HOCKEY TOURNAMENTS | ICEPLEX NATIONAL TOURNAMENT SPONSOR

MYHockey Tournaments has been the premier Tier II youth ice hockey tournament organization in North America for over 20 years. MYHockey also operates the MYHockey Rankings website which is the preeminent ranking service which ranks every North American youth hockey team and which is used by USA Hockey to determine at-large bids and seedings for national championship events. MY Hockey Tournaments currently operates approximately 70 tournaments per season in 16 cities across 12 states.

3 STEP SPORTS | FIELD HOUSE NATIONAL TOURNAMENT SPONSOR

3Step Sports is the largest youth sport event operator in the United States, managing over 800 events across 35 states in seven sports. 3Step Sports is designed to give every athlete, parent and coach involved the premier sport experience. We deliver a professional, inspiring and authentic experience every step along the athlete journey - encompassing club team competition, national media, content platforms, team apparel and nationally recognized tournaments. Simply put: We Run Sports.

LOCAL PARTNER
TUCSON JUNIOR ROADRUNNERS | ICEPLEX ANCHOR TENANT

The Tucson Junior Roadrunners was founded in 2011 as the only youth hockey program in Southern Arizona and is committed to bringing the best hockey experience to kids ages 4-18. As of the 2019/2020 season, the Junior Roadrunners serves more than 230 skaters coached by a dedicated group of approximately 40 coaches. Per 2019 figures released by USA Hockey, Tucson is ranked second among all NHL/AHL markets in total growth percentage over the past five years.

LOCAL PARTNER
TUCSON ADULT HOCKEY LEAGUE | ICEPLEX ANCHOR TENANT

The mission of the Tucson Adult Hockey league is to provide an adult ice hockey league in Tucson. As part of our mission, we are committed to providing players a safe, fun and competitive place to plat hockey with a focus on sportsmanship.

LOCAL PARTNER
ZONA VOLLEYBALL CLUB | FIELD HOUSE ANCHOR TENANT

Zona Volleyball Club offers volleyball training and competitive opportunities to athletes in grades 4-12. Because athletes choose to play volleyball outside of the school season for many reasons, Zona Volleyball offers junior level teams that vary in time commitment, financial commitment and intensity. Regardless of the team, Zona Volleyball's mission is to promote and encourage the growth and development of volleyball in the Tucson area.

KNOTT
DEVELOPMENT