



Date: September 19th, 2025

From: Dunbar/Spring Neighborhood Association

To: Rio Nuevo Board and City of Tucson Mayor and Council

We, the Dunbar/Spring Neighborhood Association, would like to express our concerns about the proposed \$4.8 million sales tax rebate and 25-year GPLET for the Moxy Hotel development. The motion to express our disapproval passed overwhelmingly at our monthly meeting on 9/15/25.

Diverting sales tax revenue takes money away that the state of Arizona could otherwise be spending on things like education, health services, and public safety. Corporations and wealthy developers are not entitled to our community's tax dollars.

Over the past few years, the Rio Nuevo board has already approved millions of dollars in incentives to hotel projects: \$5 million for the AC Marriott hotel parking garage and up to \$12 million in sales tax rebates; a GPLET lease and sales tax rebate worth up to \$17 million for two Hilton-brand hotels; a \$2.5 million tax rebate and \$17.9 million GPLET for the TCC Hotel; a \$7.3 million GPLET for the Leo Kent Hotel; \$6.6 million for tax incentives and a GPLET for a renovation of Hotel Arizona; and \$900,000 for Hotel Congress.

The AC Marriott also received a \$6.7 GPLET from the City of Tucson and a \$8 million HUD loan, bringing the total incentives in public funds for this project alone to over \$30 million.

Most recently, Rio Nuevo preliminarily voted to give \$4.8 million in sales tax rebates and a 25-year GPLET (which will likely also be worth millions) for the Moxy Hotel development, proposed by the same developer as the AC Marriott.

We would like to see more transparency around how decisions about these incentives are made. Information about the various layers of these deals needs to be released to the public - in detail - before they are voted on. The board and Council should listen to what residents and local small business owners have to say and make sure that we have a voice in these decisions. And there should be a full accounting of all sales tax funds diverted to the district.

Both the City of Tucson and the State of Arizona are dealing with budget issues. That means there is less and less support available for residents and for small businesses who are struggling to make ends meet. This is not the right time to be giving handouts of valuable resources like sales tax revenue and property tax exemptions to wealthy developers and corporate interests. We need to reconsider how corporations do business in Tucson, and that starts with more transparency and accountability.

As the Dunbar/Spring Neighborhood Association, we are urging you to vote NO on the 25-year GPLET for the Moxy hotel and similar future incentives.

Sincerely,
Thomas Stellini
President, Dunbar/Spring Neighborhood Association