



MEMORANDUM

DATE: September 11, 2012

A handwritten signature in black ink, appearing to read "Richard Miranda".

TO: Honorable Mayor
and Council Members

FROM: Richard Miranda
City Manager

Subject: Update on Marist College Agreement with Diocese of Tucson

Pursuant to Mayor and Council direction of July 10, 2012, over the last 45 days City staff has entered into negotiations with representatives of the Diocese of Tucson on a potential agreement to utilize \$1.1 million of existing funds from the U.S. Department of Housing and Urban Development (HUD) Community Development Block Grant (CDBG) program to stabilize Marist College under the category of blight remediation. The purpose of this memorandum is to update you on the status of the negotiations.

The Diocese of Tucson has informed City staff that they wish to retain ownership of the Marist College so that it can be used by them and the local parish. Based on the Diocese' desire to retain ownership, the overall intent of the Mayor and Council direction of July 10, 2012 and the specific conditions that were part of the direction to staff can not be accommodated. I have instructed staff to take no further action regarding a potential agreement for use of CDBG funds for stabilization of the Marist College.

City staff has developed a preliminary recommendation on how to program the \$1.1 million in CDBG funds – see attached. We will be scheduling a meeting with each Council office to discuss these potential projects with you and your staff.

If you have any question, please contact Albert Elias at 837-7650.

RM:LRM

Attachment: Draft - 9/7/12 list of recommended projects eligible for CDBG funds

c: Liz R. Miller, Deputy City Manager
Mike Rankin, City Attorney
Executive Leadership Team