



**Board of Directors
April 25, 2017**

EXHIBIT

Memorandum of Understanding with Access|O Group

Overview

At the March 14, 2017 Board Meeting the board passed the following resolution:

Authorize CEO and appointed member of the Board of Directors to negotiate Memorandum of Understanding (MOU) with ACCESS|O Group to establish an initial framework that will allow GVR to participate as a strategic operating partner in The Village at Kino Landing developments as described in the Exhibit, with negotiated MOU terms subject to Board approval and presentation to GVR Membership for comments.

In the 2010 GVR/GVCC survey GVR members were asked whether GVR should partner with private organizations to develop recreational programs or facilities. 61% of the members were opposed to this. Without more recent membership wide survey information, we have no evidence that members would now want to expand the scope of the GVR mission to include partnerships with private corporations.

Since the board meeting, the Green Valley Hospital has declared bankruptcy leaving a number of investors, partners and suppliers with large potential financial losses. A Memorandum of Understanding is a serious document that implies an intent to partner. It can be used by an organization to gain funding, encourage additional partnerships and many other activities. Moving ahead with an MOU at this point could have unnecessary financial and reputation consequences for GVR.

Recommendation

Rescind the authorization to negotiate a MOU with ACCESS O Group. Poll the membership on whether they want to expand the mission of GVR to build operational partnerships with private companies before proceeding further.