



Las Vegas

Agenda Item No.: 55.

AGENDA SUMMARY PAGE
CITY COUNCIL MEETING OF: AUGUST 16, 2006

DEPARTMENT: CITY MANAGER
DIRECTOR: DOUGLAS A. SELBY

Consent Discussion

SUBJECT:
ADMINISTRATIVE:

Discussion and possible action regarding the First Amendment to Project Management and Consulting Agreement between City Parkway V, Inc., the City of Las Vegas, and Newland Communities, LLC for project management of the 61-acre tract bounded by Grand Central Parkway, Bonneville Avenue and the UPRR Rail Line, APNs 139-34-110-002 and 139-34-110-003 - Ward 5 (Weekly)

Fiscal Impact

No Impact

Augmentation Required

Budget Funds Available

Dept./Division:

Amount:

Funding Source:

PURPOSE/BACKGROUND:

On December 21, 2005, City Parkway V, Inc., and the City of Las Vegas entered into the Project Management and Consulting Agreement with Newland Communities, LLC, for project management of the 61 acres known as Union Park. This First Amendment revises the physical Master Plan and Infrastructure Phasing Plan for the site, revises the development rights of Newland Communities, and clarifies the civic uses and the potential sports facility use on the site.

RECOMMENDATION:

Approval.

BACKUP DOCUMENTATION:

1. Agenda Memo
2. First Amendment to Project Management and Consulting Agreement
3. Disclosure of Principals

Motion made by LAWRENCE WEEKLY to Approve the First Amendment to the Agreement

Passed For: 7; Against: 0; Abstain: 0; Did Not Vote: 0; Excused: 0

LOIS TARKANIAN, LAWRENCE WEEKLY, LARRY BROWN, OSCAR B. GOODMAN, GARY REESE, STEVE WOLFSON, STEVEN D. ROSS; (Against-None); (Abstain-None); (Did Not Vote-None); (Excused-None)

Minutes:

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SCOTT ADAMS, Director, Office of Business Development, outlined the issues driving this amendment. At the time the agreement was approved in December 2005, the master plan that was being used was the old plan under the agreement with the Related Companies. The agreement with Newland Communities granted them development rights to four of the blocks (D, E, H and G) included in the overall master plan, with the performing arts center located in the center of the site. Since then, the Council approved a business plan that incorporates a different master plan, wherein the performing arts center has been moved from the center of the site and relocated, providing a different layout and uses on the street grid.

Consequently, staff has to ensure that, as the development moves forward under this agreement, the new master plan is utilized. But that left the issue of transferring Newland's development rights from the four blocks (8 acres), under the old plan, to a total of six blocks (14.67 acres) in the new plan, of which he showed a site map on the overhead. These blocks, consistent with the old plan, will contain most of the residential and ground-floor retail. In exchange for development rights of the increased acreage, Newland has agreed to accelerate its purchase (December 2007) and development of the first phase, as opposed to a three-year time frame under the old plan. The first phase encompasses the center block (F-G), which contains a number of residential uses and a boutique hotel.

Thus, the amendment also references all the different uses, the change in location of the performing arts center and some other civic uses, as well as keeping open the possibility of an on-site sports facility for one year (December 2007). However, the definition of a sports facility has been softened in the amendment to encompass different types of sports venues, not specifically a baseball park. Also, the amendment includes an infrastructure plan for phase one, which is very important because staff has received a tremendous amount of interest in individual parcels on the 61 acres.

As a matter of clarification, MR. ADAMS explained for COUNCILMAN TARKANIAN that the City is not giving Newland Communities any additional land; it is simply providing Newland, under its development rights, an expanded amount of property to develop in exchange for Newland accelerating development of its first phase. The additional property still has to be purchased at the appraised value.

COUNCILWOMAN TARKANIAN asked MR. ADAMS if any other developers have expressed interest in purchasing the property for more money. MR. ADAMS indicated that a lot of interest has been received in individual block development. But, in the original agreement with Newland, the City committed to specific development rights. Those development rights are being translated to the new master plan, which gives Newland additional acreage, because of the way the new master plan lays out. COUNCILWOMAN TARKANIAN asked how much time would be gained under the accelerated schedule. MR. ADAMS answered that the City would gain a year

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and a half, which will greatly help the tax base, because the property will go from tax exempt status to being taxable.