

AGENDA SUMMARY PAGE
REDEVELOPMENT AGENCY MEETING OF: OCTOBER 4, 2006

DEPARTMENT: OFFICE OF BUSINESS DEVELOPMENT
DIRECTOR: SCOTT D. ADAMS

SUBJECT:

Discussion and possible action regarding an Estoppel Certificate to Hypo Real Estate Capital Corporation and Bear Stearns Commercial Mortgage, Inc., concerning the First Amended and Restated Owner Participation Agreement dated July 7, 2004, with WMCV Phase 1, LLC, WMC I Associates, LLC, WMC II Associates, LLC, and WMCV Phase 2, LLC - Ward 5 (Weekly)

Fiscal Impact

No Impact

Budget Funds Available

Amount:

Funding Source:

PURPOSE/BACKGROUND:

As part of the \$345 million construction loan for Phase 2 of the development, the construction lenders to WMC II Associates, LLC and WMCV Phase 2, LLC, successor in interest to WMCV Phase I, LLC, and WMC I Associates, LLC, Hypo Real Estate Capital Corporation and Bear Stearns Commercial Mortgage, Inc., have requested that the Redevelopment Agency execute an Estoppel Certificate which certifies as to certain current matters regarding the First Amended and Restated Owner Participation Agreement (OPA) dated July 7, 2004. The Agency staff has reviewed and confirmed the matters set forth in the Estoppel Certificate and receipt of the Recognized Lender Notices.

RECOMMENDATION:

Approval and authorize the Chairperson to execute the same and any related documents.

BACKUP DOCUMENTATION:

1. Estoppel Certificate to Hypo Real Estate Capital Corporation and Bear Stearns Commercial Mortgage, Inc.
2. Disclosure of Principals

Motion made by LAWRENCE WEEKLY to Approve as recommended

Passed For: 5; Against: 0; Abstain: 0; Did Not Vote: 0; Excused: 2

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

City of Las Vegas

Agenda Item No.: 5.

Minutes:

SCOTT ADAMS, Director of the Office of Business Development, explained that this item was requested by World Market Center for its refinancing of Phase II of World Market Center. The
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Agency members previously approved estoppel certificates and refinancing for World Market Center. The estoppel certificate attests that the owner participation agreement (OPA) the City has with World Market Center is in full force and effect, that there are no events that would create a default situation under the OPA and that all the obligations under the agreement have been completed.

Business Development staff is taking this very seriously and has ascertained that all required documents have been submitted. Therefore, staff recommends approval. The developer has met with the respective Agency representative.

MEMBER WEEKLY thanked all parties involved in this project for being cooperative in discussions about employment opportunities, especially for minorities.

TOM McGOWAN, Las Vegas resident, questioned the need for an estoppel, to which MR. ADAMS answered that lending institutions must verify that any agreements with other entities will not jeopardize their loans.

MR. McGOWAN then asked when the mall is going to be open to the public. MEMBER WEEKLY indicated that the World Market Center has been very open to tour groups. MEMBER TARKANIAN rejoined that a tour has to be arranged with the manager.

