



Las Vegas

Agenda Item No.: 4.

AGENDA SUMMARY PAGE
REDEVELOPMENT AGENCY MEETING OF: NOVEMBER 15, 2006

DEPARTMENT: OFFICE OF BUSINESS DEVELOPMENT

DIRECTOR: SCOTT D. ADAMS

SUBJECT:

ABEYANCE ITEM - Discussion and possible action regarding an Estoppel Certificate to MidFirst Bank concerning the Owner's Participation Agreement (OPA) dated October 16, 1987, with Westar Charleston Associates, Inc. (Reese)

Fiscal Impact

No Impact

Augmentation Required

Budget Funds Available

Amount:

Funding Source:

Dept./Division:

PURPOSE/BACKGROUND:

As a condition to close the purchase transaction for Villa Monterey Properties, LLC, successors in interest to Westar Charleston Associates, MidFirst Bank has requested that the Redevelopment Agency execute an Estoppel Certificate which certifies as to certain current matters regarding the Owner's Participation Agreement dated October 16, 1987, in which the Agency contributed \$2,000,000 toward the acquisition of the leasehold interests and site proposed for a shopping center and senior housing complex. A Certificate of Completion of Construction for the project was issued on December 13, 1995. The Agency staff has reviewed and confirmed the matters set forth in the Estoppel Certificate.

RECOMMENDATION:

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

BACKUP DOCUMENTATION:

1. Estoppel Certificate
2. Disclosure of Principals
3. Westar Charleston Associates OPA

Motion made by GARY REESE to Hold in Abeyance to 12/6/2006

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:

SCOTT ADAMS, Director of the Office of Business Development, reported that, during a previous meeting, MEMBER REESE expressed concern about the project possibly consisting of

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conventional housing instead of senior housing. Since then, staff researched the matter and found that, for the developer to transfer the property to something other than senior housing, the property would have to be rezoned. Also, the Owner Participation Agreement restricts the use to senior housing through 2026, and any desired change would have to be approved by the Agency members. MR. ADAMS recommended approval of the Estoppel Certificate, including a letter pointing out the covenant that runs with the use.

MEMBER REESE stated he would prefer to speak with the owners about their plans for this property before taking any action, as he has received many calls and letters from people claiming that they are being asked to move and that they have heard rumors that the owner intends to have an apartment complex instead of senior housing. MR. ADAMS assured MEMBER REESE that he would convey his concerns to the owner.

