



**AGENDA SUMMARY PAGE**  
**CITY COUNCIL MEETING OF: AUGUST 1, 2007**

**DEPARTMENT: CITY MANAGER**  
**DIRECTOR: DOUGLAS A. SELBY**

Consent  Discussion

**SUBJECT:**  
**ADMINISTRATIVE**

Discussion and possible action regarding the Memorandum of Understanding (MOU) between the City of Las Vegas and REI Neon, LLC, for the development of a full Development Agreement for the construction of a new arena located on the southwest corner of Main Street and Charleston Boulevard, Ward 3 (Reese)

**Fiscal Impact:**

No Impact  Augmentation Required  
 Budget Funds Available

**Amount:**  
**Funding Source:**  
**Dept./Division:**

**PURPOSE/BACKGROUND:**

REI Neon, LLC, was selected as the preferred arena developer for downtown Las Vegas as a result of a Request for Proposals that was issued on April 20, 2007, by our consulting firm CSL International. The Blue Ribbon Committee reviewed the proposals and interviewed four of the respondents on July 12 and 13. The City Manager made the recommendation of the selection of REI Neon, LLC, to the City Council on July 18<sup>th</sup>, and the selection was approved by City Council. This Memorandum of Understanding outlines the basic structure of the full Development Agreement and some of the areas of concern that still need to be negotiated.

**RECOMMENDATION:**

Approval.

**BACKUP DOCUMENTATION:**

1. Memorandum of Understanding
2. Disclosure of Principals

Motion made by GARY REESE to Approve

Passed For: 6; Against: 0; Abstain: 0; Did Not Vote: 1; Excused: 0  
RICKI Y. BARLOW, LOIS TARKANIAN, LARRY BROWN, OSCAR B. GOODMAN,  
GARY REESE, STEVE WOLFSON; (Against-None); (Abstain-None); (Did Not Vote-  
STEVEN D. ROSS); (Excused-None)

# City of Las Vegas

Agenda Item No.: 47.

CITY COUNCIL MEETING OF: AUGUST 1, 2007

Agenda Item No.: 47.

# City of Las Vegas

Minutes:

SCOTT ADAMS, Director of the Office of Business Development, reported that this MOU simply sets out the terms anticipated in the final development agreement with REI. The MOU is a non-binding agreement that states the intent of the parties and is identical to the previous Council action selecting REI as a developer. He explained the conditions of the MOU in the backup documentation. Staff recommends approval and will meet with the developer August 2, 2007, to start on the financial issues in order to attempt to bring back a final development agreement to the Council within the next 60 days.

MAYOR GOODMAN assured the public that the intense negotiations will do everything within the City's power to protect the community. This project will greatly impact the future of the City of Las Vegas.

JOHN WEAVER appeared to answer questions on behalf of REI. COUNCILMAN REESE confirmed that MR. WEAVER agrees with all the conditions imposed. MR. WEAVER informed the Council that a meeting was held with the Culinary Union, who challenged the Estoppel Certificate. The Gaming Board upheld the City's findings. Contrary to what the media reports, REI is not the savior of downtown. The revitalization of downtown is the result of the Council's hard work; REI merely wants to be a part of the many exciting things occurring.

COUNCILMAN REESE noted that the reality is that REI will greatly add to the success of this super City.

