



City of Las Vegas

OFFICE OF THE CITY MANAGER
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April 18, 2008

Mr. Jon Weaver
REI Neon, LLC
40900 Woodward Avenue, Suite 130
Bloomfield Hills, MI 48304

Dear Mr. Weaver:

This letter is formal notification that the Memorandum of Understanding dated August 1, 2007, as amended (the "MOU"), between the City of Las Vegas ("City") and REI Neon, LLC (REI) has expired as of 5 p.m. April 17, 2008, ("Expiration Date") due to the parties not reaching agreement and thereby not having executed final development agreements by the expiration date. As a result of the expiration of the MOU, REI and the City do not have any further obligation to each other to negotiate any agreement pertaining to the development of the 70-acre land assemblage referred to as the Project Pulse and/or a sports arena on such site, except for the reimbursement of the City's costs incurred to be paid from the REI deposit.

Due to the expiration of the MOU, the City Council will present an agenda item at the May 7, 2008, City Council meeting to officially terminate the arena RFP process. Staff will refund any remaining amount of REI's deposit to cover the City's outside costs incurred in the course of the negotiations with the REI team.

Thank you for your continued interest in downtown Las Vegas.

Sincerely,

Douglas A. Selby
City Manager

c: Mayor Oscar B. Goodman
Scott Adams, Director of Business Development
Blake Cordish, The Cordish Company
George Postolos, The Postolos Group LP
Richard Jost, Jones Vargas

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CITY OF LAS VEGAS • 400 STEWART AVENUE • LAS VEGAS, NEVADA 89101
VOICE 702.229.6501 • TTY 702.388.9108 • www.lasvegasnevada.gov