



AGENDA SUMMARY PAGE
CITY COUNCIL MEETING OF NOVEMBER 19, 2008

DEPARTMENT: CITY MANAGER
DIRECTOR: DOUGLAS A. SELBY

Consent Discussion

SUBJECT:
ADMINISTRATIVE:

Discussion and possible action regarding First Amendment to Master Development Agreement and First Amendment to Queen of Hearts Purchase Option between the City Parties (City of Las Vegas, City Park, Inc., and Office District Parking I, Inc.) and Developer (LiveWork, LLC, FC Vegas 20, LLC, FC Vegas 20, LLC) for development involving Union Park and real property located near Main Street and Bonneville Avenue (\$5,100,000 General Capital Project Fund) - Wards 3 and 5 (Reese and Barlow)

Fiscal Impact

No Impact Augmentation Required
 Budget Funds Available

Amount: \$5,100,000

Funding Source: General Capital Project Fund

Dept./Division: Office of Business Development

PURPOSE/BACKGROUND:

This First Amendment provides: (1) \$5,100,000 in additional funding to complete design of a new City Hall building and to relocate existing transmission lines; (2) additional time for the City Parties and Developer, to approve development feasibility; and (3) makes changes to the Purchase Option Agreement for the Queen of Hearts site.

RECOMMENDATION:

Approval

BACKUP DOCUMENTATION:

1. Agenda Memo
2. Master Development Agreement
3. First Amendment to Master Development Agreement
4. First Amended Queen of Hearts Purchase Option
5. Disclosure of Principals, LiveWork, LLC
6. Site Map - Queen of Hearts
7. Site Map - Union Park Parcel P-Q
8. Site Map - Block Project of LiveWork, LLC
9. Submitted after Meeting - PowerPoint Presentation City Hall Project Update

Motion made by GARY REESE to Approve

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

RICKI Y. BARLOW, LOIS TARKANIAN, 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 Business Operations, outlined the amendments to the Master Development Agreement by extending the feasibility period to January 23, 2009, modify timing of exchange of sites, appropriate an additional 5.1 million dollars and initiate the Certificates of Participation process.

Utilizing the PowerPoint presentation included for the record, MR. ADAMS, BILL ARENT, Redevelopment Manager, DIMITRI VAZELAKIS, Forest City, HOWARD ELKUS, Elkus Manfredi Architects and BARNETT LIBERMAN, Live Work, gave detailed updates on the new City Hall, Forest City and Live Work projects.

MR. ARENT indicated the subject development will be located 40 yards from the Performing Arts Center. MR. ADAMS emphasized that there are four major developments, three of which have been committed to by developers. He was comfortable with the fact that the upcoming developments in this area, including the revenue from this project, will assist in making the payment for the new City Hall due in 2015. MR. ADAMS clarified that the additional 5.1 million dollars requested is not being reimbursed through the City's general fund but from current Redevelopment Agency bonds.

The Council appreciated staffs due diligence and for doing a wonderful job. COUNCILMAN WOLFSON was pleased to see the timing of exchange of sites modified. MR. ADAMS informed COUNCILWOMAN TARKANIAN that an executive summary will be provided to the public so that they are informed as well.

CHRIS BOHNER, Culinary Workers Union, opposed the development and believed the City was being fiscally irresponsible given the current state of the budget. MAYOR GOODMAN rebutted that the development will create jobs, specifically for culinary workers, and the entire project is for the betterment of the City and quality of lifestyles. He believed MR. BOHNER'S comments were disingenuous and strongly urged all to support what he believes is a development that will benefit future generations.

COUNCILMAN REESE thanked the project representatives and culinary workers for being present. Although there are some who are doubtful, he has faith that the economy will change for the good. Las Vegas is a unique city that depends on tourism, and it is important that the City remains vibrant. COUNCILWOMAN TARKANIAN had spoken with some individuals usually highly critical of government spending, but was informed that they support this project was good as utilizing resources to acquire monies while moving forward in a vibrant manner.

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COUNCILMAN BROWN noted that playing it safe and not making difficult decisions would be passing the baton. There are risks involved but having the bid process on a local level and with the partnerships involved carries benefits as well. He challenged the culinary union leaders to meet with the Mayor, who has been most supportive of the Union. There has always been respect and trust from both sides. He felt that MR. BOHNER'S comments were disrespectful and cowardly. The Council is making efforts to maintain employment and a quality of life for all residents.

MAYOR GOODMAN was willing to take the risk with this major development and emphasized that it takes everyone doing their jobs for success to happen. He thanked those in attendance for their presence and patience during the discussion.

COUNCILMAN BARLOW compared this Council decision to Congress' economic bailouts. A strong economy supports the community, schools and lifestyles. COUNCILMAN ROSS commended the progressive project as a fabulous job.

