

CITY COUNCIL MEETING OF
May 6, 2009
VERBATIM TRANSCRIPT – ITEM 74

Public Hearing, discussion and possible action regarding a Resolution making written findings, approving the use of monies, providing notice and materials to the Commission on Tourism and Governor of Nevada and making conclusive determinations, all relative to a Tourism Improvement District (TID) for parcels at Fourth Street and Stewart Avenue (APNs 139-34-501-004, -007 to -008, 139-27-899-042 and 139-34-599-009) - Ward 5 (Barlow)

Appearance List:

OSCAR GOODMAN, Mayor
BILL ARENT, Acting Director, Office of Business Development
BRIAN GORDON, Applied Analysis
STEVEN D. ROSS, Councilman
JEFF ROSEN, CIM Group
DEE TAYLOR, 1630 South Commerce Drive
STEVE WOLFSON, Councilman
DIANE WOOLMAN, 9029 Blue Raven Avenue
MARIA GANDARA
ANDREW BROWNSON
JOSEPH MICHAEL CORDOVA, III, President, Turtle Creek Homeowner's Association
TEDDY RUSSELL, Las Vegas resident
BRYAN SCOTT, Assistant City Attorney
GARY REESE, Councilman
LOIS TARKANIAN, Councilwoman
BRAD JERBIC, City Attorney
SCOTT ADAMS, Chief Urban Redevelopment Officer
RICKI Y. BARLOW, Councilman

(1 hour 30 minutes)

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MAYOR GOODMAN

Item 74 is R-30-2009, a Public Hearing, discussion and possible action regarding a Resolution making written findings, approving the use of monies, providing notice and materials to the Commission on Tourism and Governor of Nevada and making conclusive determinations, all relative to a Tourism Improvement District. The acronym is TID, T-I-D, for parcels at Fourth Street and Stewart Avenue, and this is in Ward 5. It's a Public Hearing, which I now declare open. Mr. Arent.

BILL ARENT

Thank you, Mr. Mayor and members of Council. This is a public hearing. I realize the hour's a little bit late, but I think it's important to get certain comments onto the record. I'm gonna go through a PowerPoint presentation as quickly as I can. With me today, also, is Brian Gordon of Applied Analysis. He will give a part of the PowerPoint presentation as well. We also have representative of the developer, CIM Group, Mr. Jeff Rosen, and I'll invite him to make any comments after we finish our presentation.

The Tourism Improvement District allows a City or a County to retain up to 75 percent of mandatory sales and use tax proceeds generated within a district, within a self-defined district pursuant to the Nevada Revised Statutes. Proceeds can be used to acquire, improve, equip, operate or maintain a project within a district, and eligible uses include retail, tourism or entertainment purposes.

Thought it was important to remind the Council of where we are at in the process. On February 4th, you, as the City Council, authorized us to start this process. In addition, we attended a public hearing held by the Board of County Commissioners on April 8th. We also attended a public hearing of the Clark County School District Board of Trustees on April 23rd. Today is a public hearing to primarily determine three things. One, to make an increased finding, as I'll describe in just a moment; make a preponderance finding, and I'll describe what that means also. We also, as a body, the City Council I should say, should consider both the Board of County Commissioner written comments and the Clark County School District written comments. As part of your backup documentation, we included a transcript of the April 8th hearing at the Board of County Commission, and we also included a letter from Mr. Jeff Weiler, who is the

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62 Chief Financial Officer of the School District, representing the Board of Trustees regarding their
63 written comments. And I'll touch on that at the end of the presentation.

64 The next steps, after today, are a Nevada Commission on Tourism hearing, the date of, for which
65 it's pending. We anticipate that it will be some time in June. And then, finally, it goes to the
66 Governor for final approval.

67 The required findings, as I mentioned, there's an increase finding and a preponderance finding.
68 The increase finding requires the Council to find, as a result of this project, retailers will locate
69 their businesses in the District, and there will be a substantial increase in sales and use tax
70 revenues. Additionally, a preponderance finding must be determined to show that proceeds from
71 sales and use tax revenues will be attributable to the transactions with tourists who are not
72 Nevada residents. And I'll explain how the resolution and the supporting documentation, today,
73 meets (sic) both of those findings.

74 The next steps, as I mentioned, we have Commission on Tourism and then to the Governor's
75 desk. The Governor is required, by law, to consider any fiscal effect of the pledge of money for
76 educational funding. So I'll spend a little bit of time at the end of the presentation to address
77 that.

78 The City Council, following the Governor, would adopt an ordinance through our, its normal
79 two-step process. And that ordinance would define that no retail sales could have occurred 120
80 days prior to the enactment date of the ordinance.

81 Finally, the City and the State Taxation would enter into an agreement describing the distribution
82 of the revenues generated within the TID. And there is a statutory limit for a 20-year term. So,
83 should the City look to actually issue a bond to secure those revenues and use those capital funds
84 upfront for the uses that I'm gonna describe, we would be limited by statute to a 20-year term.
85 We're not obligated to issue a bond, but we would have the ability to do that with the TID
86 legislation.

87 This map shows the proposed TID boundaries. It's a site that is situated next to the I Fif, 515,
88 US 95, and then it's bounded by Casino Center, Fourth Street and then Stewart Avenue. So the
89 area that you see in red, when I mentioned earlier, District, this is the District that we're seeking
90 to creating it. Zooming in on it from an aerial photo, you can see the District within the District.
91 The area highlighted in yellow is Phase 2 of a project proposed by the developer, the CIM

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92 Group, and then the area outlined in red is the Historic Post Office that we're seeking to convert
93 into a new museum use. So that shows the site and the District.

94 The Development Program, just to bring you back why we're doing this, the TID we're
95 proposing to use these funds for public uses. We're trying to create a vibrant public plaza, a
96 public parking garage and also enhance streetscape, primarily on Stewart Avenue, to promote
97 additional pedestrian activity. The Development Program will be anchored by the Las Vegas
98 Museum of Organized Crime and Law Enforcement. We'll be proceeding with that project
99 independently of this incentive and moving forward with that project to support the overall
100 Development Program from the CIM Group. The Program eventually completes (sic) retail
101 enter, and entertainment uses, including 200,000 square feet of retail, 150,000 square feet of
102 office, a 500-room hotel and potentially a new casino.

103 I wanna emphasize a point here. One of the misunderstandings that took place at the School
104 District's Board of Trustee meeting was an impression that the hotel was an optional component
105 of the project and that the retail could proceed without the hotel. In working with the developer,
106 we did not find that to be the case. They run hand in hand as part of the Development Project,
107 and I'll explain why that's important toward the end of the presentation.

108 Again, the use of TID funds, public costs, the parking structure, the public plaza, the street
109 improvements, in the overall development agreement with the CIM Group, one of the thresholds
110 and a condition precedent to actually getting and acquiring development rights from that
111 property outlined in yellow on the map is to actually invest new capital into the Lady Luck
112 property on the south side of Stewart. So, there's a, an investment threshold, and this is very
113 important to mention also. Like all of our incentives that we try to do with our office, this is a
114 back end incentive. The developer must perform on the front end in order to obtain this back end
115 incentive.

116 And then, also, it's important to mention that no TID funds will go toward private development
117 or (sic) to the developer to support the private development. We were using the funds for public
118 programs and public uses as identified in the slide.

119 I'm gonna turn it over to Brian Gordon. He's gonna go over real briefly the findings of the study
120 that they did to show what the fiscal affect is. And then I'll conclude the presentation on what

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121 action is before you today and speak again a little bit more detail about the impact on education
122 funding.

123

124 **MAYOR GOODMAN**

125 Thank you.

126

127 **BILL ARENT**

128 Brian.

129

130 **MAYOR GOODMAN**

131 Mr. Gordon.

132

133 **BRIAN GORDON**

134 Thanks. Thank you, Bill. Mr. Mayor and members of the Council, thank you for the
135 opportunity to speak to you today. As Bill mentioned, I'll just cover the summary findings of
136 our more comprehensive report.

137 Essentially, the creation of the Tourism Improvement District, based on our analysis, would
138 result in incremental revenues of about \$26 million, and those would inure to various entities,
139 about 88.2 percent or \$23 million worth of those revenues would inure to public entities. The
140 3.1 million differential would inure back to the Tourism Improvement District, which would be
141 used for these public infrastructure improvements in the area.

142 In addition to the incremental revenues that would be cost associated with the development that
143 takes place on the site, the overall costs are expected to be about \$17.6 million, resulting in a net
144 fiscal benefit overall related to the development of \$5.4 million per year. That is, after
145 accounting for the – allocation of sales tax back into the Tourism Improvement Direct, Tourism
146 Improvement District, excuse me.

147 Taking a look at a handful of the other public revenues that would be generated as part of the
148 project, obviously, sales and use tax being a – major component. You can see the split here on
149 the slide, in terms of the – amount that would continue to go to public entities and then the
150 portion that would inure back into the Tourism Improvement District. We also took a look at the

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transient – lodging tax that would be created as part of the hotel component of the project. That would generate an estimated \$2 million. Property taxes would contribute another \$1.6 million and the modified business tax, or the payroll tax, if you will, would create another \$400,000 or so in public revenues, going to – various public entities.

We also took a look at the scenario if the project is developed. Obviously, we've just run through the numbers: 21, 23.1 million in public revenues, plus the three point million in the TID. Without the project, the property remains in – public hands and there would be no incremental revenues associated with the lack of the development of a project.

We're also asked to take a look at the impact on surrounding retailers. One of the things we're responsible for looking at is what – that impact might be. If we take a look, historically, at the market over the last decade or so, we see that incremental investments in the area generate incremental demand and ultimately additional spending in the area. During the past decade, we've seen hotel rooms grow at a compound annual growth rate of about 2.4 percent, the number of visitors comparable to that. The spending, per trip, has increased and we're looking at aggregate spending increases of about 9.1 percent annually. So, significantly more than just the – number of visitors or infrastructure that's put in place. This project is contemplating about a \$200 million plus investment. That combined with the – hundred million investment that Bill mentioned in terms of the investment required at the Lady Luck site, a lot of money going into the area. We expect that to generate incremental demand.

We're also required to take a look at the source of those retail sales and use taxes. Who would be paying those? We took a look at different market areas, one, three and five miles; obviously, the area is dominated by hotel rooms and mostly non-Nevada visitors. We estimate about 79 percent of the spending in the area is attributable to non-Nevada visitors. We would expect a similar profile at this site.

When evaluating the overall impacts of the project, we took a look at some of the economic impacts during, first, the construction phases as well as the operational phase. During the construction phase, the project will directly employ about a thousand person years of employment, including the secondary impacts; we're looking at about 1,800 jobs. They're gonna earn approximately \$66 million in wages and generate over \$280 million in economic output; that being the construction phase.

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181 As we move into the operational phase or the ongoing operations of the project, on an annual
182 basis, we're looking at 1,600 direct jobs on site. The ripple effect associated with that or the
183 secondary impacts would total about almost 2,700 jobs. They would be earning approximately
184 114 million in wages and contributing about 267 million in economic output on an annual basis.
185 We were also asked to take a look and discuss briefly the – impact on education funding.
186 Certainly, a portion of the sales tax would be allocated back towards these public improvements.
187 Just generally speaking how education is funded is through a myriad of sources, a portion of it
188 coming from State General Fund revenues and they're several sources within that, including the
189 State portion of the sales and use tax, which is the two percent rate out of the seven and three
190 quarters rate that we all pay in Southern Nevada.
191 Gaming taxes as well as the modified business tax or payroll tax, portions of that could be
192 allocated towards education. The local school's support tax is also, contributes to the funding of
193 education as well as property taxes and, of course, the room tax.
194 The components that would be impacted by the creation of the Tourism and Improvement
195 District, specifically would be a portion of that two percent sales tax rate as well as the – local
196 school support tax that's included within the overall sales tax rate. I think Bill's gonna discuss
197 some of those in more detail.

198
199 **MAYOR GOODMAN**

200 All right. Thank you, Mr. Gordon.
201

202 **BRIAN GORDON**

203 Thank you.
204

205 **COUNCILMAN ROSS**

206 Your Honor?
207

208 **MAYOR GOODMAN**

209 Yes.

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210 **COUNCILMAN ROSS**

211 So, Mr. Gordon, you're saying that we'll actually be spending more on education if we create
212 this Tourism, this TID?

213

214 **BRIAN GORDON**

215 We initially reached out to the Clark County School District, and they responded that there
216 would be – no impact associated with this proposed development. We subsequently received
217 information from them that they had estimated a certain ballpark figure on a per pupil basis for
218 the workers that would be on site that would be incremental to come into the marketplace. So, if
219 the project's developed and uses the existing labor pool, those people are already in the market
220 place and being educated. Their children are being educated. The assumption is that a portion
221 could potentially come from outside of the market, which would create incremental costs for the
222 school district. This estimate is about 25 percent of the labor that would be on site would come
223 from outside the market. Today, we're at a 10.4 unemployment rate. So, you know, again, just
224 an estimate at this point, but yes, there's certainly a cost associated with incremental individuals
225 in the School District.

226

227 **COUNCILMAN ROSS**

228 Well, it's not the cost I was looking for; it was the additional incremental taxes that are being
229 paid towards education.

230

231 **BRIAN GORDON**

232 Sure, and I think – Bill's gonna walk through the details here of the additional potential revenues
233 that are gonna be generated as part of the project, as well as the cost side. And I think it's up on
234 the slide here, the total potential revenues inuring to public education as potentially 1.5 million
235 dollars, which is significantly above the estimated costs.

236

237 **MAYOR GOODMAN**

238 Mr. Arent.

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239 **BILL ARENT**

240 Mr. Mayor. Thank you. Thank you, Brian. I wanted to go over this slide personally because I
241 wanted to point out that for those of us, those that are attending the meeting here today and the
242 listening public on KCLV or the internet broadcast, that this slide is actually part of the backup
243 documentation. It is actually part of the backup documentation, Item Number Eight and the last
244 page. So, I apologize for anyone in the audience if they're having difficulty reading this slide. I
245 do have a paper copy as well. But this is actually numbers that were ac, extracted from the
246 Applied Analysis report and wanted to summarize in one slide the net fiscal impacts on
247 education.

248 So, as Brian had mentioned, the impact to education from the revenue side, comes from a variety
249 of sources. It comes to sales and use tax revenue, which is State sales and use tax component
250 and local schools support tax. It also comes from property tax, modified business tax and then
251 also the transient lodging tax. And that last one, the transient lodging taxes, for some reason,
252 was not considered by the School District at their public hearing. We politely requested that
253 they do consider it because we fully expect the hotel to move forward in conjunction with the
254 retail, as I mentioned earlier. When you add all those revenue sources to the State and to
255 education with the TID, it's a little over \$2 million in new public revenue that would not
256 otherwise exist should the project not occur.

257 To education, monies that are actually potentially available for education, as Brian had
258 mentioned, this sums to 1.5 million. Now, as the School District have requested in their written
259 letter to Ms. Fretwell and to the City Council, the School District require, requested that the City
260 Council consider setting aside the estimated expenditure of \$824,759. As Brian had mentioned,
261 this is not the net cost to education based on the report by plot analysis. This is just the cost.
262 When you account for the new revenues generated by the project and available to the State for
263 education, this leaves a net potential impact on the education system in the State of \$679,344.
264 So, I thought it was important to go through that and then also reference the backup
265 documentation that is supported and was available to the public as part of this public hearing.
266 Just, wanna summarize again what findings you're making today. The, today's Council
267 Resolution which you're voting on, makes the finding that there is positive fiscal affect from the
268 TID and the proposed project will benefit this area, the District. It establishes the increase

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finding and the preponderance finding. It approves the use of the TID proceeds by the City for public costs and it sends written notice to – the Nevada Commission on Tourism and to the Governor.

And in closing, before we take public comment, I wanted to invite Jeff Rosen from the CIM Group, if he had any comments and just if I could, take the liberty, Mr. Mayor. Two of the common questions that we as staff has, have fielded on the project have been as follows: One question is, is the developer receiving another tax incentive from the City or from the Redevelopment Agency? The answer to that question is, no. This is the only tax incentive that's being contemplated by the City or the Redevelopment Agency.

And a second question, and then I'll let Mr. Rosen comment on it, is would the developer proceed without this incentive? I think it's real important to view this in light of the macro-economic climate of Las Vegas and Southern Nevada. And staff believes that this incentive, but for this incentive, the project might not proceed. And with that, I'll turn it over to Jeff Rosen with the CIM Group.

MAYOR GOODMAN

Thank you. Mr. Rosen.

JEFF ROSEN

Jeff Rosen with the CIM Group. Good day Mayor and Council. You know, I was gonna go back to the timeline. While the first hearing might not have been since February, the TID process actually started last July, when we entered into our DDA with the City, that had many, it's a fairly complicated document and a very long process and you know, maybe today with the approval of the Smith Center, as you saw, it's a very long. When you want something significant to be developed in downtown, many times, it takes a long time and a lot of things go into it. Part of that DDA was a collaboration between CIM and the City to work towards a creation of a Tourism Improvement District, as well as with the whole team from the – Mob Museum.

So, since that, we've all worked extremely well. A lot of thanks to Bill and everyone on his staff and, as well as Betsy and everyone overseeing the Mob Museum, where things are moving

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299 forward. It's a – tough economy out there but we continue to push things forward. This is one
300 part of the many eras and the quiver to help redevelop this – part of downtown.

301 So, on the Tourism Improvement District, while the first hearing might not have been until
302 February, we've been at this for almost a year now. And hopefully, we'll continue to – move
303 forward with that process.

304

305 **MAYOR GOODMAN**

306 Okay. Thank you.

307

308 **BILL ARENT**

309 Mr. Mayor, that concludes my presentation. I should also mention we have our Bond Counsel,
310 John Swenseid, here in the audience.

311

312 **MAYOR GOODMAN**

313 (Inaudible)

314

315 **BILL ARENT**

316 And so if there are any technical or legal questions in nature, I'll defer to Mr. Swendsein (sic).

317

318 **MAYOR GOODMAN**

319 Very good. This is a public hearing. How many wish to speak on it?

320

321 **DEE TAYLOR**

322 We got a few of us.

323

324 **MAYOR GOODMAN**

325 Well, I – wanna see so I know how to allocate –

326

327 **DEE TAYLOR**

328 Sure.

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329 **MAYOR GOODMAN**

330 – the time here. How many plan to speak? Alright then, we'll put the –

331

332 **DEE TAYLOR**

333 A few.

334

335 **MAYOR GOODMAN**

336 We'll give Mr. Taylor three minutes and the others two.

337

338 **COUNCILMAN WOLFSON**

339 Mayor Goodman, I'm sorry. And Mr. Taylor, I apologize. May I just make one observation first

340 before we go into public comment? Bill, if you don't mind, I just wanna make sure that the

341 record is clear for anybody that's watching this is, this site right now is owned by the City of Las

342 Vegas and because we are a – government entity, we are tax exempt. So, there are no revenues

343 that are going to the, I'm not sure the word, the receiving entities, like the School District, at this

344 time. Is that right?

345

346 **BILL ARENT**

347 That's correct. The City owns it. There are deed restrictions from the GSA and there are

348 restrictions also from Interior, related to the museum itself, the Historic Post Office. But it's, it

349 is currently tax exempt.

350

351 **COUNCILMAN WOLFSON**

352 So, the recipients that will receive tax revenues in the future, once this project is up and running

353 and receipts are coming in and taxes are paid out, are not receiving anything right now.

354

355 **BILL ARENT**

356 From this specific property, that's correct.

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357 **COUNCILMAN WOLFSON**

358 That's what I'm talking about.

359

360 **BILL ARENT**

361 The – only minor exception would be, there are, there were some vending machines that paid
362 some very nominal fees that, as I mentioned the 120-day closure requirement, there cannot be
363 any retail. It was the opinion of our counsel, that in an abundance of precaution, we needed to
364 close down those vending machines. But other than any ancillary license fees associated with
365 those vending machines, as far as tax revenue, that's correct.

366

367 **COUNCILMAN WOLFSON**

368 Okay. Thank you.

369

370 **MAYOR GOODMAN**

371 Okay.

372

373 **DEE TAYLOR**

374 Hi, my name is Dee Taylor, 1630 South Commerce.

375

376 **MAYOR GOODMAN**

377 Timer on, please.

378

379 **DEE TAYLOR**

380 Thank you so much for letting me speak. I'm sure when you opened the paper today, you saw
381 ready for coming cuts in the school budget. The Culinary Union, we have about 40 or 50
382 thousand of our members who have kids in K through 12 here in Clark County. I think
383 everybody here knows the schools are severely challenged and we're asking every political body
384 to step up for educational funding now and in the future. In fact, Assembly Leader Barbara
385 Buckley and Senate Majority Leader Steven Horsford estimate we are 44 percent underfunded
386 for just current services in education; 44 percent now. So, I find with that factual background,

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387 which I'm not the only one who has that, that I feel like I'm in Never Never Land here, when
388 we're talking about diverting money away from schools. By proposing a TID on 5.5 acres in
389 downtown Las Vegas, you're gonna rebate 75 percent sales tax for further development. That
390 sounds pretty nice. But what will the City do with taking that money away. You're gonna build
391 a parking garage for, obviously, the use of the multi-billion dollar out-of-state developer and a
392 public plaza for the same benefit.

393 Now, the analysis that was paid for by the developer, they themselves say they will divert \$3.1
394 million every year for the next twenty years, which a high percentage of that would go to
395 schools. I cannot understand why at this time, the City feels that they haven't done enough for
396 this multi-billion dollar out-of-state developer. You are prepared to sell land for under appraised
397 value, that's already well known. You've already done it a lot and that's great. But this is like
398 Robin Hood in reverse. You're taking from the masses to give to the wealthy. You know, the
399 question that was just asked is, will they develop this even if they don't have this. Of course
400 they will. Somebody said they just spend \$200 million. So, the idea that you would take money
401 out of the schools for a gigantic multi-billion dollar developer in this economic environment
402 where we are 44 percent underfunded in schools right now, according to the State Legislature, is
403 beyond belief.

404 Now, I know I've been called evil. Our union's been called evil for opposing some measures,
405 but let's be frank, on this issue the Clark County County Commission is opposed to this. The
406 Clark County School District voted six to nothing being opposed to this, and the Nevada
407 Legislature is dealing with this right now. And, in fact –

408
409 **MAYOR GOODMAN**

410 Time's up.

411
412 **DEE TAYLOR**

413 Well, I'm gonna have just a minute, Mayor.

414
415 **MAYOR GOODMAN**

416 No, you're not.

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417 **DEE TAYLOR**

418 I've been very patient.

419

420 **MAYOR GOODMAN**

421 No, you're not. Time's up.

422

423 **DEE TAYLOR**

424 No, no. I've very patient.

425

426 **MAYOR GOODMAN**

427 Have a seat. Have a seat.

428

429 **DEE TAYLOR**

430 Let me finish, please.

431

432 **MAYOR GOODMAN**

433 No, I put a three-minute timer.

434

435 **DEE TAYLOR**

436 You know what, Mr. Mayor, people come up here –

437

438 **MAYOR GOODMAN**

439 A three-minute timer.

440

441 **DEE TAYLOR**

442 Well, listen, I'll do a tag team.

443

444 **MAYOR GOODMAN**

445 All right, fine. Fair enough. Go ahead.

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446 **DEE TAYLOR**

447 So, no, no, no. Folks, folks, folks. No, folks, no, folks, please.

448

449 **MAYOR GOODMAN**

450 As I said –

451

452 **DEE TAYLOR**

453 Please.

454

455 **MAYOR GOODMAN**

456 – we play by rules here. I said three minutes for Mr. Taylor, two minutes for you folks.

457

458 **DEE TAYLOR**

459 Okay, I just got two minutes from somebody else. Thank you, Mr. Mayor.

460

461 **MAYOR GOODMAN**

462 All right –

463

464 **DEE TAYLOR**

465 So –

466

467 **MAYOR GOODMAN**

468 – then why don't they sit down, then?

469

470 **DEE TAYLOR**

471 Yes, they will. They've been very patient. They're taxpayers and I'm sorry you don't feel like

472 you should listen to them. So, just last week –

473

474 **MAYOR GOODMAN**

475 Wait – a second. Wait a second.

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476 **DEE TAYLOR**

477 Excuse me, can I finish, please?

478

479 **MAYOR GOODMAN**

480 No, not 'till I say this. I said I would listen to everybody and I gave them two minutes and I
481 gave you three. You're taking their time away from being able to talk, not me buddy.

482

483 **DEE TAYLOR**

484 You know what, Mr. Mayor –

485

486 **MAYOR GOODMAN**

487 You heard me.

488

489 **DEE TAYLOR**

490 – with all due respect.

491

492 **MAYOR GOODMAN**

493 You heard me. Now –

494

495 **DEE TAYLOR**

496 Mr. Mayor, please, I just wanna finish. I don't want to make this personal. I'm very –

497

498 **MAYOR GOODMAN**

499 It's not personal.

500

501 **DEE TAYLOR**

502 – very passionate about this and very concerned about it –

503

504 **MAYOR GOODMAN**

505 And I'm very concerned about it too.

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506 **DEE TAYLOR**

507 – because of the schools.

508

509 **MAYOR GOODMAN**

510 – and I expect that the truth is gonna be said. I don't want to put people under oath. You heard

511 the question that was asked by Councilman Wolfson, right now zero taxes, zero money is

512 coming from this property. So, don't say we're taking away money from the School District.

513

514 **DEE TAYLOR**

515 Excuse me. The analysis done, paid for by the developer himself, for the TID would take \$3.1

516 million per year. That is what their analysis is.

517

518 **MAYOR GOODMAN**

519 There's nothing now –

520

521 **DEE TAYLOR**

522 I also –

523

524 **MAYOR GOODMAN**

525 – Mr. Taylor.

526

527 **DEE TAYLOR**

528 Excuse me, can I please finish?

529

530 **MAYOR GOODMAN**

531 No. I said no –

532

533 **DEE TAYLOR**

534 Well, you know what –

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535 **MAYOR GOODMAN**

536 I'm telling you if you're gonna say something tell the truth. There's nothing now. There're no
537 taxes because the City owns that property. So, we're not taking anything away from the School
538 District.

539

540 **DEE TAYLOR**

541 Well –

542

543 **MAYOR GOODMAN**

544 What we're doing, is we're trying to get a project where it can give money to the School District.

545

546 **DEE TAYLOR**

547 Excuse me, Mr. Mayor, but the School District doesn't agree with you. They voted six to
548 nothing against this proposal. So, to finish up –

549

550 **MAYOR GOODMAN**

551 All right.

552

553 **DEE TAYLOR**

554 The City testified last week, I am sure, by the approval of the City Council, against this exact
555 same bill up in Carson City, put forth by Marilyn Kirkpatrick, that would, in fact, band the
556 diversion of sales tax for schools in TIDs. They understand this problem; that's why they've
557 addressed it. They had a hearing last week; the City – opposed that, I am confident. Just like the
558 Clark County School District, just like the Clark County County Commission, the Nevada
559 legislature has come out firmly against this practice. So, today you have the opportunity. You
560 can vote for children in schools or you can vote for the benefit of large, multi-billion out-of-state
561 developers. And as my mother once said, it is not what you say, it's what you do.
562 So, I appreciate the time you've given me, and I would turn this over to a – woman who is a
563 long-term member. Thank you.

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564 **MAYOR GOODMAN**

565 Thank you.

566

567 **DIANE WOOLMAN**

568 Hello. My name is –

569

570 **MAYOR GOODMAN**

571 Timer, please.

572

573 **DIANE WOOLMAN**

574 – Diane Woolman. My address is 9029 Blue Raven Avenue.

575

576 **MAYOR GOODMAN**

577 Your name, again, Ma'am.

578

579 **DIANE WOOLMAN**

580 Diane Woolman. I'm – here today, I've – been with the union for appro, about 18 years. I've

581 been in this town for about 20 years. I've raised three children in this town, and I have eight

582 grandchildren, and they go to various school districts within Clark County.

583 I've worked with the schools very, very closely through the years with my children and now my

584 grandchildren. I've helped as many ways as I can to get funding, to help the schools because

585 they've already been on short budgets and short incomes for years and years. We're talking 15

586 years ago, and we're still going on with this. This economy is horrible for all of us, grant,

587 granted, but to subtidize (sic) casinos that are being built at our children's expense, to me, is an

588 atrocity. These children have paid a high enough price now, with the cuts that are taking place.

589 And there are many, many developers here in this town that have not had to be subtidize (sic),

590 that have made a good living and have gone, had businesses for years and years here and made a

591 lot of money.

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592 Please, I'm beggin you, on not just behalf of my own children and grandchildren, do not take
593 anything more from their education. We already are low in the standings, you know that. We're
594 suffering very, very much in our school systems.

595

596 **MAYOR GOODMAN**

597 Ma'am, did you hear?

598

599 **DIANE WOOLMAN**

600 And I beg you –

601

602 **MAYOR GOODMAN**

603 Did you – hear that right now, because the City owns that property, there're no tax dollars that –

604

605 **DIANE WOOLMAN**

606 Yes.

607

608 **MAYOR GOODMAN**

609 – to education? Did you hear that?

610

611 **DIANE WOOLMAN**

612 I did hear that, but I also know that –

613

614 **MAYOR GOODMAN**

615 And what we're doing is, is that we're –

616

617 **DIANE WOOLMAN**

618 – if you subtidize (sic), you're gonna have to get that money from somewhere, and our children
619 have already been affected by these cuts. I'm begging you, please, don't take any more money
620 from them. Yes, they will bring revenue to the schools, but so does every other casino in this

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621 town, and they're not asking you to bail them out or help them with anything. They've made
622 money in this town without the City's help.

623

624 **MAYOR GOODMAN**

625 All right. Thank you.

626

627 **DIANE WOOLMAN**

628 Please.

629

630 **MAYOR GOODMAN**

631 Next, please.

632

633 **MARIA GANDARA**

634 Good afternoon. My name is Maria Gandara. I live in this city since last nine years. I'm
635 member for the Culinary 226 Local, and I'm a wondering parent. I have two kids, that they go to
636 Kirk Adams. I'm really wondering about what happened right now with the schools. We know
637 the budget is in crasis (sic) in the schools. Right now, like parent, I'm (sic) try to help the school
638 that my kids, assist, because they send us a list, we can help with supplies for keep the programs
639 after schools. My kids have, involve in projects at schools, but they send us, for the next year,
640 they gonna cut the projects because they don't have the budget. I have other kids, three years
641 old, and I'm wondering what's gonna happen with him if this is still like the way it is right now.
642 As a citizen, as a parent, I'm available, and I'm trying to do everything that my government say
643 that I need to do for help, but I'm really scared. I'm in panic, when they say they gonna, or
644 could we take money from the taxes from the schools because everybody in this city, we love
645 this city. We live the, we love the visitors, but I want my kids, in the future, be part of the big
646 city. I don't want to be traveled (sic) or go to other place, that way they can have good jobs.
647 And I think my best investment that I can give to my kids is education for (inaudible) so they can
648 work in this – building, this big project. That's why we are here, I'm talking as a parent, to ask
649 for your help. To keep, no, the possibility to take away something for the kids; in place, give
650 more for the kids. Thank you.

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651 **MAYOR GOODMAN**

652 Thank you. Next, please.

653

654 **ANDREW BROWNSON**

655 Hello, Mr. Mayor. Ladies and gentlemen, thank you very much for having me. My name is
656 Andrew Brownson, I'm a Las Vegas resident. I've lived here since 2003. I have a child who's
657 going to be going to school, public school, next year. We just registered him. We're looking
658 forward to that. It's going to be exciting adventure for all of us, I think, my wife and I as
659 parents.

660 Just to qualify, I am a Culinary member and generally speaking, I always walk (inaudible) in
661 step with the union, in terms of labor relations with management but, ideologically, sometimes
662 differ. I happen to be a Republican, and I haven't changed my party at any point and time. So,
663 this offers sort of balance perspective, as to where I'm coming from and how this issue affects
664 everyone. And you might look at it through a different lens that way.

665 Yeah, I stood up here and – you know, it's – frightening to think that, of course, our schools in as
666 bad a shape as – I think they are, and everyone has acknowledged this. Even as – rosy as times
667 were a decade ago, we still had schools that were ranked fairly low. We have police departments
668 that are probably underfunded and could use better creating and help Fire departments, which
669 need equipment and so forth.

670 The first gentleman that came up here and spoke, he talked about economic projections for the
671 next few years, which were based upon the previous decade, which we all know has no relevance
672 to what's going on right now and probably won't. Rather than a – stellar climb like we
673 experienced for the past decade, we're looking at either something that's going sideways or
674 perhaps negative growth, like what we're experiencing right now.

675 Then the last fellow that finished up, and wrapped up his presentation said, well in this current
676 macro economic climate, we have to look at what's going on, look at the big picture. We're
677 gonna have to apply for these, this tarp, par, sorry, TIP (sic) , sorry, semantics, this program of
678 funding, which is clearly wrong. If – this project actually had merit, they could find it within the
679 private sector. And you, being the lender of last resort in this case, probably understand that, and
680 it is probably a bad move right now at this point and time. But anyway, thank you very much.

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681 **MAYOR GOODMAN**

682 Thank you.

683

684 **JOSEPH MICHAEL CORDOVA, III**

685 Good afternoon, Mayor, City Council. My name is Joseph Michael Cordova, the Third. I'm a
686 born/raised native of the Las Vegas area. I've been here 44 years. I currently have two children,
687 one, I'm sorry, one child in the Clark County School District. I'm also the President of the
688 Turtle Creek Homeowner's Association in the Honorable Steve – Ross District.

689 At this point and time, everything that my predecessor, the gentleman before me, has said, a lot
690 of things are here based on projections, based on things that are going to happen in the future.

691 As you well know, our education is suffering an unsurmountable (sic) mountain of issues. Each
692 year, each and every one of us, as parents, are asked to contribute financially, whether it be on –
693 a volunteer basis or simply as being given a sheet of necessities that our – children are going to
694 need to be successful in school.

695 I beg you, at this time, to consider this seriously in the nature. And I, Mayor, I do understand
696 you, that there is zero going out right now, but we need to look at the future and look at what the
697 people, previous to us, or previous to you, have voted on. Thank you again for your time.

698

699 **MAYOR GOODMAN**

700 Thank you. Anybody else like to be heard?

701

702 **TEDDY RUSSELL**

703 Your Honor, Council, my name is Teddy Russell, resident of Las Vegas. I've only been here for
704 seven years. This acquired a life of its own, long before I got here. For better or for worse, I
705 understand that there are controls. In fact, on the board for the Mob Museum, is a special agent
706 retired for the FBI, to ensure that in, by no we, way, means or form, we glorify the Mob – years.
707 If I might have the overhead. This past weekend, we had an excellent article called "Quiet
708 Kingmaker". It celebrates the life of the banking power, gentleman named Mr. E. Perry Thomas,
709 who does give you straight scoop, like it or not, about the Mob years.

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If I had my druthers and I'm entitled to my opinion, as I say, this started long before I got here, I would have like to have seen the courthouse be a courthouse for senior citizens, victims of crime, and I would have liked to seen the Post Office retained as a post office.

Thank you for your time and have a great day.

MAYOR GOODMAN

Thank you. Anybody else like to be heard during the Public Hearing? All right. Seeing none, we'll close the Public Hearing. Mr. Arent, did you want to make any comments at this point before there's a motion?

BILL ARENT

Mr. Mayor. Thank you. I just wanted to offer a point of clarification for what actually took place at the Clark County School District Board of Trustee's hearing. The hearing was called for fiscal effect on the Clark County School District, of a project to be constructed in the Tourism Improvement District, proposed by the City of Las Vegas, to be located in the Las Vegas Redevelopment District. The Trustees did take an action at that meeting. The action was to provide written comments to the City of Las Vegas, and I wanted to read directly from the letter. I did not want the words to be my own but rather the words of the employee responsible for the School District. In Jeff Weiler's letter, he, again, Mr. Weiler is the Chief Financial Officer, and this is part of your backup documentation. Mr. Weiler writes: "Following the public hearing, the bull, Board of School Trustees took action on an agenda item, requesting that, pursuant to NRS 271A.110, any agreement entered into by the City of Las Vegas and owner of property interest, within the Tax Increment District defray, in whole, the initial \$824,759, additional expenditures identified in the report by Applied Analysis."

And I just wanted to make it abundantly clear, not only to this body but also to the listening public as well, that the school board did not take position for the project. They did not take a position against the project. They simply directed staff to make written comments to the City of Las Vegas, which is the requirement that the law sets out. So, they requested that expenditure be defrayed. We believe that we addressed that in the body of the presentation here today at the public hearing.

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740 **MAYOR GOODMAN**

741 Very good. Thank you.

742

743 **COUNCILMAN WOLFSON**

744 Mayor Goodman?

745

746 **BILL ARENT**

747 Thank you.

748

749 **COUNCILMAN WOLFSON**

750 I'm sorry.

751

752 **MAYOR GOODMAN**

753 Yes, Councilman.

754

755 **COUNCILMAN WOLFSON**

756 A few minutes ago, after Mr. Taylor made his comments about the School District or the Board
757 of Trustees voting 6/0 against this and the County Commissioners voting 6/0, again, against this,
758 I asked our City Attorney, Mr. Jerbic, if that was true, because I was reading in my backup the
759 transcript from the County Commission meeting, and unless I'm reading something different
760 than anybody else, it didn't even go to a vote.

761

762 **BRYAN SCOTT**

763 What they did, Councilman –

764

765 **COUNCILMAN WOLFSON**

766 So, Mr. Taylor, I, I'm not invite, excuse me, I'm not inviting you to comment back –

767

768 **MAYOR GOODMAN**

769 No.

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770 **DEE TAYLOR**

771 No, I – didn't say the County Commissioners, I said the School District –

772

773 **MAYOR GOODMAN**

774 No.

775

776 **COUNCILMAN REESE**

777 You said both.

778

779 **COUNCILWOMAN TARKANIAN**

780 You said both.

781

782 **MAYOR GOODMAN**

783 Yes, you did.

784

785 **COUNCILMAN WOLFSON**

786 Well, Mayor Goodman, I – thought I – heard him say both –

787

788 **MAYOR GOODMAN**

789 He did.

790

791 **COUNCILMAN WOLFSON**

792 – But for the record, I just thought I'd ask, Mr. Jerbic, and if you know the answer, because that
793 was something that I'd be curious about. Did the County Commission take a vote on this matter
794 that is before us? And I think Mr. Arent just explained what the school board did.

795

796 **BRAD JERBIC**

797 They took a vote; the vote was not for or against. They had a discussion at the County level, and
798 I just read the motion in Mr. Adams' backup. The motion was to forward their comments to the
799 City, and that motion passed.

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800 **COUNCILMAN WOLFSON**

801 Now was that the School Board of Trustees or was that the County Commission?

802

803 **BRAD JERBIC**

804 That's the County Commission.

805

806 **COUNCILMAN WOLFSON**

807 Okay. Thank you.

808

809 **MAYOR GOODMAN**

810 Thank you.

811

812 **SCOTT ADAMS**

813 If – I can interject here, this is Scott Adams, Chief Urban Redevelopment Officer. I handled the
814 matter for the City at the County Board of Commissioners meeting, and it was simply a public
815 hearing. And the only, the process simply provides for a public hearing. It was simply a public
816 hearing, and the Commissioners made comment. And the vote was to direct those comments in a
817 formal memorandum or set of minutes to the City, so we could place those comments on the
818 record.

819

820 **COUNCILMAN WOLFSON**

821 And, Mayor Goodman, if you don't mind. And Mr. Adams, you're right 'cause that transcript I
822 read had part of your testimony in it. In fact, I just want to make another observation. When I
823 was reading the transcript, it appeared that, at least one particular County Commissioner, was
824 pretty much in favor of what we're doing. So, there was no vote against what we're doing.

825

826 **SCOTT ADAMS**

827 That's correct.

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828 **MAYOR GOODMAN**

829 Okay. Thank you. All right. Councilman Barlow.

830

831 **COUNCILMAN BARLOW**

832 Yes, Mayor, I have, this question is posed to Mr. Arent or possibly even Mr. Adams, you can
833 chime in. Explain, once again, the amount of monies. I know that there's (sic) no monies today
834 that is allocated because of the City's tax exempt status. But in the future, in regards to the TID
835 and the questions and comments that have come forward in regards to monies going back to the
836 developer and – not to the School District, break that out for me so that I'm clear in regards to,
837 that, the – statement that exists today.

838

839 **BILL ARENT**

840 Councilman, I'll address, answer that in two parts.

841

842 **COUNCILMAN BARLOW**

843 Okay.

844

845 **BILL ARENT**

846 The revenue that would be generated, we outlined in that last slide, and again, it's part of the
847 backup documentation.

848

849 **COUNCILMAN BARLOW**

850 Right. Go back to the last slide for the sake of the audience.

851

852 **BILL ARENT**

853 The revenue that would be generated, again, I think Councilman Wolfson did a good job of
854 articulating that. Today, there is new, no tax revenue from businesses operating on the property.
855 The property is tax exempt. So what the report by Applied Analysis attempted to do is to
856 delineate the exact revenue sources that would be created, as a result of this project. And in
857 doing so, they identified what funds would inure to the State, for the State and potentially

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education, but then, also, what is specifically delineated for education. And that outline, sales and use tax, property tax, modified business tax and transient lodging tax. Now, that money goes to the State, and it's part of a budgetary process for the State for education. We believe the net effect to that is that there'd be new public revenue inuring to the State of 1.5 million, and that's the conclusion determined by Applied Analysis.

COUNCILMAN BARLOW

Now, the 1.5 million will go back to the State, and then the State will divvy up in the respective sources, but a percentage of that 1.5 million, you're saying, will go towards education. Is that accurate?

BILL ARENT

It's our belief, and I – can invite Mr. Gordon if I –

COUNCILMAN BARLOW

Yes. Mr. Gordon, if you'll come forward, please, because I wanna really be able to flush this out because I – don't want to do anything to affect education, because that's – something that we need to figure out ways in order to get more dollars to fully fund education. So, I am concerned about that, so if you can walk me through that and be diligent in the process, I will be greatly appreciative.

BRIAN GORDON

Sure. Essentially on the – slide that is on the – screen here, at the moment, is – a breakout of all the major revenue sources that would go both to education as well as the State General Fund. Education is generally funded from direct revenue sources, as well as allocations that potentially inure from the State General Fund. We paired back some of those during the last biennium at the State level, the General Fund. About 35 percent of those proceeds went towards education, so we took that same share of the revenues and allocated those to the revenue side of the equation that you see on the slide, and those are broken down by each element. Education is funded through the Nevada plan, where funds go in various, different directions. Some go directly into

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888 the School District, some go up to the State level, and then they're reallocated on a per pupil
889 basis down to the various school districts throughout the State.

890 As part of that process, they account for direct revenues that would go to the local school district,
891 the Clark County School District, and adjust that contribution rate from the State level. So, there
892 is a mandatory per pupil funding amount that would go to the Clark County School District,
893 based on the number of students –

894

895 **COUNCILMAN BARLOW**

896 In your –

897

898 **BRIAN GORDON**

899 – in enrollment.

900

901 **COUNCILMAN BARLOW**

902 In your slide, right now, I'm looking at the Clark County School District, and as far as education,
903 it has 289,000, 289,890.

904

905 **BRIAN GORDON**

906 That represents just the portion of the room tax that would go directly to the Clark County
907 School District.

908

909 **COUNCILMAN BARLOW**

910 Okay.

911

912 **BRIAN GORDON**

913 The column to the left would be all potential revenue sources that would go to either to fund
914 education or the State General Fund, which is used as the back stop to fund education. That's a
915 \$2 million dollar number.

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916 **COUNCILMAN BARLOW**

917 Right.

918

919 **BRIAN GORDON**

920 Then it's paired down to a \$1.5 million dollar number in – potential revenues that would inure to
921 – education. So, this break out is just, represents the sources of where those revenues are coming
922 from.

923

924 **COUNCILMAN BARLOW**

925 Right.

926

927 **BRIAN GORDON**

928 At the end of the day, that's the potential pool, and then you see the – potential expenditure
929 number, then that affect being a positive number.

930

931 **COUNCILMAN BARLOW**

932 Now, there was – comment in regards to this tax in, this Tourism District (sic), TID, hurting
933 education. How does this hurt education, if at all?

934

935 **BRIAN GORDON**

936 Purely from a dollars and cents perspective, education would result in a positive financial impact
937 or positive fiscal impact, which is what you're looking at on the slide. The assumption is that a
938 portion of the students in the School District would be incremental or – would migrate into
939 Southern Nevada to – fill positions at this project. And – those incremental students would have
940 a cost associated with them. So, you see the cost side at about \$824,000, and the revenues
941 generated by the – overall project that would potentially go to the pool for education would be
942 1.5 million, so that the net effect, again, is a positive number. Does that answer your question?

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943 **COUNCILMAN BARLOW**

944 Yes, and one additional question. As far as monies going back to the developer, I was informed
945 in – a couple of briefings that monies would not go back to the developer. Does money, or does
946 money go (sic) back, or do money go back to the developer in this, within this District? And if
947 so, explain that process and why.

948

949 **BRIAN GORDON**

950 Essentially, the – creation of the Tourism Improvement District, the City is the – applicant for
951 that District. The dollars would inure back to the City. My understanding is that the City has
952 chosen to use those funds to invest in public infrastructures, such as the public plaza, the parking
953 structure and street improvements –

954

955 **COUNCILMAN BARLOW**

956 Not back into the District, I said to the developer.

957

958 **BRIAN GORDON**

959 My understanding is that the developer is getting no direct investment or dollars from the
960 Tourism Improvement District.

961

962 **BILL ARENT**

963 Councilman, if I – could just add, I thumb back to the point in the PowerPoint where we address
964 that, that the parking structure, the public plaza and the street improvements. Street
965 improvements, that one's obvious, the City owns streets, will continue to own Stewart Avenue.
966 The public plaza, that's gonna be open to the public. And then the parking structure, one of the
967 realities of doing business in an urban downtown, which Las Vegas is rapidly becoming, is that
968 parking is at a premium, and on a competitive basis, we're less competitive than the rest of the
969 region because of existing parking. We don't have the available land that the suburbs have to
970 build two, three-story parking structures. So, one of the things that is part of this project is that
971 the City, through the use of the TID funds, would be building a parking structure. 'Cause it's
972 public funds, we would own – it and potentially operate it. We might lease the management of

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973 the operation, but as far as the funding, as far as who gets to use the garage, it would be open to
974 all the residents of the city of Las Vegas.

975

976 **COUNCILMAN BARLOW**

977 So, the City of Las Vegas would own the garage?

978

979 **BILL ARENT**

980 Correct.

981

982 **COUNCILMAN BARLOW**

983 Okay. Not the developer?

984

985 **BILL ARENT**

986 Correct.

987

988 **MAYOR GOODMAN**

989 Thank you.

990

991 **SCOTT ADAMS**

992 Could I add – to that, ‘cause I – know this section of the agreement intimately. This is Scott
993 Adams again. That, there’s a provision in the agreement that, we don’t even, we haven’t even
994 sized the garage. At the point where they develop, are ready to develop the retail space on their
995 block, we would look at a radius of the site, in terms of the supply of parking that’s in the radius,
996 a walking distance radius site, to determine; and then through an independent study, how big we
997 should make that garage. The intent there would be to make it as small as we possibly can to
998 meet their needs on the site, and I – wanted to add that to the record.

999

1000 **MAYOR GOODMAN**

1001 All right. Councilwoman.

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1002 **COUNCILWOMAN TARKANIAN**

1003 Yes. I want to get back down to this, very specifically, what is the subsidy (sic) that is being
1004 mentioned, that we're giving to the applicant?

1005

1006 **MAYOR GOODMAN**

1007 Nothing.

1008

1009 **COUNCILWOMAN TARKANIAN**

1010 You're saying nothing. They're, are you telling us that there is no direct subsidy (sic) being
1011 given to the applicant?

1012

1013 **BILL ARENT**

1014 Councilwoman, Bill Arent, Acting Director. That's essentially correct. The tax revenue that
1015 would be retained within the Tourism Improvement District, the City would use for these three
1016 uses. So –

1017

1018 **COUNCILWOMAN TARKANIAN**

1019 All right. Now the public, and the public plaza sort of takes the place of the public park that we
1020 had. We, you know, we – don't have the public park in the plaza, so I see that as a City use.
1021 And what were the other two?

1022

1023 **BILL ARENT**

1024 The parking structure and then Stewart Avenue; there're some street improvements, streetscape
1025 –

1026

1027 **COUNCILWOMAN TARKANIAN**

1028 And – the streets, yeah, that's an obvious, and then the other was the parking structure. And if
1029 we wanted to, if we vote, we could, ourselves, run the parking structure, could perhaps, collect
1030 monies off of it. Is that correct?

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1031 **BILL ARENT**

1032 That's correct, and we do that in a number of parking garages downtown already.

1033

1034 **COUNCILWOMAN TARKANIAN**

1035 So there's – no subsidy, which was one of the big problems. And the other is, if we're taking
1036 money from the School District. And that's what I'm really having a hard time understanding
1037 because I would never want to take money from the School District. My understanding is that
1038 it's just like what we have, the Marketplace, where we have the large buildings.

1039

1040 **COUNCILMAN WOLFSON**

1041 World Market Center.

1042

1043 **COUNCILWOMAN TARKANIAN**

1044 World Market Center, where the World Market Center is, before we had nothing but lots full of
1045 weeds and dirt. I passed it every time I came out in this direction, I passed it, so I know it didn't
1046 look very good at all. And then we gave some help to them to build, and they built, and it has
1047 added a lot more money, as far as taxes. And a lot more of that from the information you've
1048 given us has gone to the School District. In other words, they got their – percentage of zero was
1049 less than their percentage – of what they're getting from high taxes now. Am I correct in that?

1050

1051 **BILL ARENT**

1052 Councilwoman, that is correct. Essentially, I would make one distinction. For this project, it
1053 involves the use of sales and use taxes.

1054

1055 **COUNCILWOMAN TARKANIAN**

1056 Okay.

1057

1058 **BILL ARENT**

1059 So the World Market Center, different project –

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1060 **COUNCILWOMAN TARKANIAN**

1061 It's a little different.

1062

1063 **BILL ARENT**

1064 – different incentive. It was property tax but essentially the same.

1065

1066 **COUNCILWOMAN TARKANIAN**

1067 Now, we had no in – state business that wanted to build there, did we? I'm, as long as I've been

1068 on the Council, I'm not aware. This was the one company that wanted to build and take that

1069 over and – develop properties.

1070

1071 **COUNCILMAN WOLFSON**

1072 The World Market Center or –

1073

1074 **COUNCILWOMAN TARKANIAN**

1075 No, I'm talking about the CIM project now –. At the time, did we have other people who came

1076 to us who wanted because, you know, a lot of people don't want to build downtown and some

1077 do?

1078

1079 **BILL ARENT**

1080 Essentially, that's correct. It's been an evolving part public private partnership with the CIM

1081 Group. They did close on an equity position and the Lady Luck property. It's a very heavy lift

1082 to get that property up and running again and become a new (inaudible) of property for

1083 downtown.

1084

1085 **COUNCILWOMAN TARKANIAN**

1086 And – that's what I've been told since I've been on the Council. Then the last thing is, the

1087 percentage of money that would come from this project, we don't know for sure how much

1088 would go to the School District, but we're – counting on the 35 percent that they usually give.

1089 And the reason why I say that is because it goes to the State. You know, we can't guarantay

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1090 (sic) what the State will do, but it's the State that the determines how much money goes to the
1091 Clark County School District. And in the past, for years, they should have had a larger amounts
1092 (sic) going because of the urbanality of what was happening within that School District.
1093 So basically, quite honestly, I feel the State, whatever they're doing in the legislature right now,
1094 the State for years could have made a difference, as far as the amount of monies going to CCSD.
1095 But, when some people say, well, they might not get that 35 percent, we don't know where it's
1096 gonna go. That's because we all know it goes to the State, and the State determines the amount.
1097 I'm just verifying this, so I'm saying, is that correct?

1098

1099 **BILL ARENT**

1100 That's correct. I'm not an expert on school funding, but it's my understanding typically what
1101 happens, and maybe Mr. Gordon could allude to this. If the tax revenue generated from some of
1102 these local taxes coming in from Clark County exceeds what is budgeted for at the State level for
1103 education, that money's still going to the State. It's still intended to be for education, but
1104 practically, what happens in the budgetary process, is that that money shifts away from education
1105 into the State General Fund.

1106

1107 **COUNCILWOMAN TARKANIAN**

1108 As it –

1109

1110 **BILL ARENT**

1111 And essentially –

1112

1113 **COUNCILWOMAN TARKANIAN**

1114 – has shifted – for the past two, three decades.

1115

1116 **BILL ARENT**

1117 And I, Councilwoman, I think you've highlighted a budgetary problem and a legislative problem
1118 that, quite frankly, that the City has no control over.

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1119 **COUNCILWOMAN TARKANIAN**

1120 No, I know that. And that's why I feel some anguish here because I know the City does not have
1121 as much control as the State does. And the State could send the whole amount of the money to
1122 the School District, if it wanted to, and that's in – for wherever they're getting money.
1123 Anyway, thanks (sic) you for answering those questions. I – appreciate it very much. I don't
1124 want us to do anything that's inappropriate. I don't want us to cannibalize any other entity. I
1125 just, I cannot see where we're not helping the School District in this. That's the problem, and
1126 I'm trying to learn and maybe I need, I've been out of town awhile because of an illness in the
1127 family, and maybe I need to take more time and go through this, so I understand it better. But, in
1128 any case, the questions you answered for me now help.

1129

1130 **MAYOR GOODMAN**

1131 Mayor Pro Tem.

1132

1133 **COUNCILMAN REESE**

1134 Yes, Your Honor. You know, I – listen to the presentations we have here, and I – listen to what
1135 people are saying about this Council. And – I really get a little bit of heartburn because I have
1136 children that are school teachers. I have kids in school, college. I have grandchildren in school.
1137 And to think that I sit up here and have people think that I'm gonna try to take money away from
1138 their education. I pay for three children to go to college.

1139 And we look at this redevelopment area, and Lois alluded to, with the Allure Towers, with the
1140 Chelsea Mall, with the World Market Center, we had follow ground that was creating very, very
1141 little to our School District. But through the redevelopment area, we created businesses,
1142 structures that quadrupled the amount of money that was going to the School District through the
1143 City.

1144 And I – can't understand why people continue to say that this Council is trying to rape the
1145 School District. It's ludicrous to me. I – had a lady come to my house and talk to my sweet
1146 wife, and try to convince her what a bull I was because I was taking money away from the
1147 School District. My wife tried to explain to her, this is when she was trying to get her to sign a –
1148 petition, my wife tried to explain to her what was going on. She called my wife a liar. In

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1149 essence, she's calling all of us sitting up here liars. And I – take offense to that. I would never
1150 do anything to take away from the schools.

1151 What we're trying to do is create. We created money with the World Market Center. We
1152 created money with the Allure Towers. We created money with the Chelsea Mall. Through
1153 what we do, we create jobs. We create more money for the State. We're creating more money
1154 for education, more public infrastructure, but note, we're not raising taxes.

1155

1156 **MAYOR GOODMAN**

1157 Thank you.

1158

1159 **COUNCILMAN REESE**

1160 I – really feel like that, when people work together, they could accomplish a lot, but when people
1161 attack and won't listen, we're destroying what we're trying to do.

1162 We – sit through here today and we see a beautiful structure that's gonna be constructed here,
1163 called the Performing Arts Center, creating jobs. And before that structure's finished, they're
1164 gonna build a hotel, non-gaming, Charlie Palmer Hotel, which is gonna be just as beautiful as
1165 what you seen at, in the Performing Arts Center.

1166 I – just can't understand it. I – really feel like that what we're doing is a positive. What we're
1167 trying to do is to, and I'm not saying that this will ever be developed, but if it is, the school's just
1168 gonna benefit from it.

1169 And Your Honor, I – really appreciate all the comments, the questions asked by the other
1170 Councilmembers, your comments, and even the comments from those opposing this project. But
1171 I – really wish that we could – sit down and I guess, have a more applica, amenable – type
1172 discussions and stuff. But I – know that some people don't want to listen to what we're trying to
1173 say, and – I feel sorry for them. Thank you.

1174

1175 **MAYOR GOODMAN**

1176 All right. Thank you. Councilman Barlow, do you have a motion, please?

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1177 **COUNCILMAN BARLOW**

1178 Yes, Mayor, I do. I would like to move forward for approval of this item. And in closing, just
1179 state that I am all for education. I wanna make sure that we do all that we can to assi, to assist
1180 our young people in this community. And, although, this is a very complex puzzle that we're
1181 trying to put together, not only for the benefit of developing downtown, but also to give back to
1182 our community. The city of Las Vegas can't fully fund education on its own, but we can do our
1183 part, and I believe that we have done our part, and we continue to do our part. And as long as
1184 I'm on this Council, I will push to make sure that we continue to do so.

1185 With that being said, what is the next step? Is it to move to the tourism and then to the
1186 Governor, Bill?

1187

1188 **BILL ARENT**

1189 That's correct. With your approval today, we would move to the Nevada Commission on
1190 Tourism. Notice requesting a hearing has already been sent. We, at the staff level, are actively
1191 working with the Commission to schedule that. That will be a public hearing. So certainly, the
1192 public will have another opportunity to comment on this incentive in the Tourism Improvement
1193 District.

1194

1195 **COUNCILMAN BARLOW**

1196 Okay, and it's my understanding from the information that I not only have been briefed on but
1197 the information that I've read, if in fact the Tourism Committee or Commission votes this down,
1198 the TID is denied. Is that accurate?

1199

1200 **BILL ARENT**

1201 That's essentially correct. We need approval from Nevada Commission on Tourism and from
1202 the Governor.

1203

1204 **COUNCILMAN BARLOW**

1205 Correct.

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1206 **BILL ARENT**

1207 So, it's – a multi-step process.

1208

1209 **COUNCILMAN BARLOW**

1210 It's a multi-step process –

1211

1212 **BILL ARENT**

1213 We are not finished yet.

1214

1215 **COUNCILMAN BARLOW**

1216 – but I'm just asking the question in regards to if, in fact, the tourism commission votes it down,

1217 the TID is denied, it's dead. Correct?

1218

1219 **BILL ARENT**

1220 That's correct.

1221

1222 **COUNCILMAN BARLOW**

1223 And if, in fact, it's approved and it come (sic) before the Governor, and the Governor deny (sic)

1224 it, then it's dead as well. Correct?

1225

1226 **BILL ARENT**

1227 That is correct.

1228

1229 **COUNCILMAN BARLOW**

1230 Okay. And with that being said, I'll, I will move for approval of this item.

1231

1232 **MAYOR GOODMAN**

1233 Mr. Arent, is that sufficient with the findings being required?

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1234 **BILL ARENT**

1235 Yes, I think approving the Resolution, the Resolution itself, contains the findings.

1236

1237 **MAYOR GOODMAN**

1238 All right. Thank you.

1239

1240 **BILL ARENT**

1241 So, the motion's just needed to approve the Resolution.

1242

1243 **MAYOR GOODMAN**

1244 Very good.

1245

1246 **COUNCILMAN BARLOW**

1247 And I move to approve the Resolution.

1248

1249 **COUNCILWOMAN TARKANIAN**

1250 Before we vote on that, Mr. Mayor, could I just ask is there a possibility, I mean I know these are

1251 good people in the audience. They obviously believe, at least, I think they believe what they're

1252 saying to us. And, so I'm wondering is there a possibility we could, maybe, meet and talk as you

1253 said, in a way that, we're not full of anger, but in a way that we can get a better understanding of

1254 how we're feeling? Are we at total loggerheads? And I ask that, as I said, because I know there

1255 are good people who have spoken here about their concerns, and I spoke with one that I knew

1256 well, and – she was, she believes with her heart, that she's right, and that it, and you know, that,

1257 is there a possibility we can do that? Would the, would Mr. Taylor be willing for us to meet and

1258 –

1259

1260 **DEE TAYLOR**

1261 I'd be glad to if I have more than three minutes.

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1262 **COUNCILWOMAN TARKANIAN**

1263 Well, yeah, and, we don't have to meet here. We can meet some place else that you can have
1264 more than three minutes, I – would think, right, Mr. Mayor?

1265

1266 **MAYOR GOODMAN**

1267 Whatever you want to give them, you can give them.

1268

1269 **COUNCILWOMAN TARKANIAN**

1270 You have the motion. I'm just asking because it's in your District, your Ward. It's in your
1271 Ward.

1272

1273 **MAYOR GOODMAN**

1274 Yes.

1275

1276 **COUNCILWOMAN TARKANIAN**

1277 I'm just wondering, you don't have to have the meeting, I'm just saying –

1278

1279 **COUNCILMAN BARLOW**

1280 No, I mean –

1281

1282 **COUNCILWOMAN TARKANIAN**

1283 I'm just saying this doesn't seem good. We're using energy that we could be using for positive
1284 things, and I just think, let's put our energy in and let's move together, if we possibly can. And
1285 that's what I'm asking, in your motion, could you recommend that we hold a meeting in the next
1286 couple of weeks or something?

1287

1288 **MAYOR GOODMAN**

1289 No.

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1290 **COUNCILWOMAN TARKANIAN**

1291 No.

1292

1293 **MAYOR GOODMAN**

1294 You can meet with anybody you want, Councilwoman. I've had my meetings.

1295

1296 **COUNCILWOMAN TARKANIAN**

1297 Well, I'll ask –

1298

1299 **COUNCILMAN BARLOW**

1300 Thank you, Councilwoman –. In my motion, I would also ask that we have an opportunity to

1301 meet with the representatives from the Culinary Union, in regards to their concerns because the

1302 Councilwoman is right, in regards to hearing what it is that they're concerned about and making

1303 sure that the motion that we move forward is benefit for the entire community. And so, I would

1304 like to move for approval of the Resolution, with the condition of having an opportunity to meet

1305 with Mr. Taylor and – the Culinary Union –

1306

1307 **MAYOR GOODMAN**

1308 Well.

1309

1310 **COUNCILWOMAN TARKANIAN**

1311 Mr. Barlow, I – was just gonna say, maybe we have to check with legal, I'm sorry. I'm hearing,

1312 maybe we can't do that in a motion.

1313

1314 **COUNCILMAN BARLOW**

1315 Well, well how about we do this? If – this is okay with you, Brad. **I'll move for approval of**

1316 **the item.** We vote on the item and then Councilwoman, you and I will have an opportunity to

1317 set up a subsequent meeting to meet with Culinary. Would that be (sic) suffice?

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1318 **COUNCILWOMAN TARKANIAN**

1319 Would that be all right?

1320

1321 **BRAD JERBIC**

1322 That's fine.

1323

1324 **COUNCILMAN BARLOW**

1325 Okay. Then, that'll be my motion.

1326

1327 **MAYOR GOODMAN**

1328 All right. That's the motion. Let's vote. Post. Motion carries. **(Motion carried**

1329 **unanimously.)** Thank you.

1330 **(END OF DISCUSSION)**

1331 /lc, da, ac; ac