

CITY COUNCIL MEETING OF
July 1, 2009
VERBATIM TRANSCRIPT – ITEM 38

Report and possible action regarding a financial feasibility review of the City Hall project, which is proposed to be constructed on real property bounded by Lewis Avenue, Clark Avenue, Main Street and First Street (APNs 139-34-210-007 through -013 inclusive and APNs 139-34-210-019 through -023 inclusive) – Ward 3 (Reese)

Appearance List:

OSCAR B. GOODMAN, Mayor
ELIZABETH FRETWELL, City Manager
SCOTT ADAMS, Chief Urban Redevelopment Officer
MARK VINCENT, Director, Finance and Business Services
GARY REESE, Councilman
STEVE WOLFSON, Councilman
RICKI Y. BARLOW, Councilman
STAVROS S. ANTHONY, Councilman
LOIS TARKANIAN, Councilwoman
DIMITRI VAZELAKIS, Forest City
DAVID MITCHELL, Live/Work
JOSH MAYERS, KeyBank
STEVEN D. ROSS, Councilman
BRAD JERBIC, City Attorney

1 hour

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26 **MAYOR GOODMAN**

27 We're going to trail Item Number 38. Councilwoman Tarkanian should be back for the morning
28 session, and we'll go to Item Number 40.

29

30 **END RELATED DISCUSSION – RESUME RELATED DISCUSSION**

31

32 **MAYOR GOODMAN**

33 Item 38 is the report and possible action regarding the financial feasibility review of the City
34 Hall project, which is proposed to be constructed on real property bounded by Lewis Avenue,
35 Clark Avenue, Main Street and First Street. This is in Ward 3. Ms. Fretwell.

36

37 **ELIZABETH FRETWELL**

38 Mayor and members of the Council, a few weeks ago you requested that we prepare a financial
39 feasibility report, and we plan on giving that to you this morning. Over the last 18 months,
40 we've presented a series of reports to you, as we've gone along in this process, and, we still feel
41 very confident in those projections and – the issues as they were outlined early on in the process.
42 I've asked Mark and Scott to go over the report that we sent to you a couple of weeks ago, in a
43 presentation format, that'll show those costs that we've talked about over time through the
44 specter of today's economy, because things are different than they were when we started down
45 this road. As crazy and tumultuous as the economy is and has been, the rest of the country, right
46 now, is banking on a recovery and stabilization. Banks, manufacturing, the federal government,
47 we're all – banking on that return to happen, that return to stabilization.

48 Obviously, the risk of not going forward with a – project like this has opportunity costs, and I
49 just wanted to speak to that for a second. Those opportunity costs, in my mind, are that we've
50 been trying to change the face and shape of downtown for many, many years, going on a decade.
51 And this Council has been committed to revitalization over the course of that decade, and we've
52 been committed, since this economic downturn, to the creation of jobs, that our community
53 desperately needs, right now.

54 The risk of going forward also introduces risk to the General Fund. When we started down this
55 road, we were hoping that the Redevelopment Agency would be able to shoulder most, if not all,

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56 of that burden. That's not so clear anymore. But there're a couple of shining lights associated
57 with that risk that, I think, really speaks to some of our successes from a management and
58 leadership standpoint at the City of Las Vegas. One, the COPs process, that Mark and Scott will
59 talk a little bit about in their presentation, affords us time. It affords us time to recover. It
60 affords time for our economy to stabilize and gives us time to plan, as a City, in the case that the
61 stabilization that we hope will happen doesn't happen as quickly as we anticipate or would hope
62 for it to.

63 We also have a very low debt rate, which gives us a soft cushion. It gives us something to fall
64 back on, over the course of the next five to seven years, if we choose to go forward with the
65 project. And, Bill Arent brought this up in a briefing yesterday, and I think it's important to
66 point out, we have a committed developer. There're a heck of a lot of cities sitting around this
67 country that wish they had one right now, ready and willing to come in and invest and take a
68 little risk on downtown redevelopment.

69 I really feel like, you, you're at the precipice of having to make a policy decision. I know, some
70 of you have asked me about what is my recommendation, and, this is one of the things that I feel
71 like lands sole, solely on you, as a policy board. But – I do think it's important to recognize that
72 this is risk evaluation for us as a City. And, it's a policy decision between taking a little risk for
73 economic return, now, for a project that could continue to catalyze redevelopment in the
74 downtown area. So, you know, because this is, exceedingly complex project that will be affected
75 by unknown market forces, you know, I think, having said all the things that I have mentioned in
76 these preparatory comments, I believe that the community rewards of the new jobs and the
77 economic revitalization will offset the associated and obvious risk, if the economy does stabilize.
78 And I think, as we go through this process and this presentation this morning, which I've asked
79 these guys to be brief because of the time, we'd be happy to answer any questions that you might
80 have.

81 And we're ready, willing and able to follow any and all of your direction today. I also think that
82 this is an interim report that doesn't necessarily require any action on your part, if you don't
83 want to take it. Really, at the end of the day, when we come back, assuming we are able to sell
84 the COPs (sic) notes, that's really when the final decision would be made by the Mayor and
85 Council, about whether that's the right financing mechanism for this project at that time. So,

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86 with those comments, I'll – turn it over to Scott and Mark and be happy to come back up here if
87 you have particular questions for me.

88

89 **MAYOR GOODMAN**

90 Okay. Well, I – think that was a very fair synopsis of where we stand right now, and, of course,
91 we're up to – the task of making that policy decision, and –

92

93 **ELIZABETH FRETWELL**

94 Of course.

95

96 **MAYOR GOODMAN**

97 – I really think that the presentation should be rather pointed, at this point. I think what we
98 should be considering is whether or not we wanna go forward and find out how much the project
99 is gonna cost, before, in my opinion, before anybody can make an intelligent decision, they have
100 to know what the facts are. So, that's the first fact that we have to ascertain.

101 With the market having changed, we're getting some bids back, which are millions and millions
102 and millions less than what we had anticipated, and we're delighted when we get that kind of
103 result. And the second point is, assuming that it's affordable, are we able to afford it? And
104 that's going to, in large part, depend on whether or not the financing mechanism, which is the
105 COPs, the Certificate (sic) of Participation, can be sold and at what interest rate it can be sold.
106 And we're gonna have to make that decision at a later time, because we don't know that fact.
107 So, if you would, I'd like you to concentrate, basically, on the first part, whether we should go
108 forward and get appraisals, get the bids, find out where we – stand on that, whether that should
109 be our direction, and then we come back another day, and we hope the world is a better place.
110 We hope the times are less challenging, and then we'll decide whether or not we're gonna pay
111 for it, and whether we can pay for it.

112

113 **ELIZABETH FRETWELL**

114 Okay.

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115 **MAYOR GOODMAN**

116 Now, I know I may have screwed up, pardon me. I know I may have fouled up your –
117 PowerPoint, but, it was too long anyhow.

118

119 **SCOTT ADAMS**

120 Good morning, Mr. Mayor and Council, Scott –

121

122 **MAYOR GOODMAN**

123 You don't really mean that, do you?

124

125 **SCOTT ADAMS**

126 Pardon me?

127

128 **MAYOR GOODMAN**

129 No, I'm kidding. Go Ahead.

130

131 **SCOTT ADAMS**

132 Scott Adams, your Chief Urban Redevelopment Officer. I, and standing with you is also Mark
133 Vincent. And as the City Manager said, she's tasked both of us with the task of presenting to
134 you a financial feasibility analysis. I had a whole set of, an outline that I was gonna use to set
135 the tone of my discussion, but Betsy stole half of my thunder, so.

136 But, there're – a couple more points I wanna make before I wanna get into this, 'cause, I really, I
137 think it gets back to the vision of why we got into this project. This project has been as much, or
138 more, about strategic asset management as it been, as it's been about building a new City Hall.
139 It's really been looking at our real estate assets, as a City, and how we can maximize the
140 effective use of those to leverage new development to get to what Betsy just talked about, new
141 jobs and revitalization.

142 It ties to four \$1 billion developments. I don't think there's a city in America that's poised to
143 make a decision on a project that would catalyze or leverage four \$1 billion developments. And

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144 on every one of those developments, the developers are still here, they're still standing and ready
145 to go, upon economic recovery, and that is a major statement.

146 And – I – think, picking up on what Betsy said, we don't have a Strip like the County does. We
147 don't have multi-hundred-acre business parks left half empty ready to fill up like our
148 counterparts, Henderson and North Las Vegas. Our future commercial redevelopment of the
149 City, our job generation is going to come downtown. And you gave us the marching orders,
150 from a policy standpoint, to create a strategy to make that happen. And this is a project that is a
151 pivotal project as part of that overall strategy. So, you're in a, I think, in an envious position
152 among councils around the United States of having to make a decision about catalyzing major
153 redevelopment. With that, I'm gonna go into, we're gonna, given what you just tasked us with,
154 we're gonna –

155

156 **MAYOR GOODMAN**

157 Well, I sort of like what you said. Maybe – I should hear more from you.

158

159 **SCOTT ADAMS**

160 Well, I –, we're, what, I think there is a lot of what we're gonna present that is very redundant,
161 you've seen it before, we don't need to go into it ad nauseum again. We'll blow through it, and
162 only make certain key points as it relates to what you just said –

163

164 **MAYOR GOODMAN**

165 (Inaudible)

166

167 **SCOTT ADAMS**

168 – which is can we afford it and what kind of terms are we going to get, 'cause that's really the –
169 thing we're looking for direction today. So, we're gonna do a real quick design and
170 development update, a development budget recap, go through the financing approval process,
171 that is very relevant to what you've asked for. Mark will go through the financial options, and
172 then we're gonna very specifically ask you what direction we're looking for at this point.

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173 Design and development update. There's a lot of information on here, and I would also preface
174 my comments by saying, we have done a City Manager information report. You've all been
175 privy to that, been privy to this. This is all available to the public. So, all this information's
176 available. The key point here is, we are about a hundred percent complete on design of this
177 project. We have done a lot of things, up to this point that not only helped this project, but also
178 catalyzed for the redevelopment downtown.

179 Recapping the budget, we said how long this would be; a hundred fifty million dollar project less
180 its parking. What this budget recap shows is that you've invested to-date about \$10.1 million
181 into this project, and, based on our architects and Forest City's estimates, based on our estimates
182 now, we can bring this project in under budget. Not only we can bring it under budget, we have
183 both an inside and outside contingency established for this project. So, we have the, those
184 cushions that – you really need to have in place for latent conditions that almost always come up
185 on any major urban redevelopment project of this type downstream. So, we have those
186 safeguards in place, and we have looked at it carefully and know we can, at this point think we
187 can bring it in under budget.

188 Same for the parking. We've acquired, let me just back up real quick. One of the things that
189 we've done, as part of your \$10.1 million, is relocated a transmission lines that run down the
190 alley of the five-block site. And that sets that area up for redevelopment. Those are hard
191 infrastructure costs to get your arms around and get over that – is not an investment loss. It's
192 something that will endure and set you up for future redevelopment.

193 Same with the parking garage. We looked at, very carefully, a site to acquire for a parking
194 garage. We looked again strategically at that. We have identified a site that not only benefits
195 City Hall, but it benefits Symphony Park. It is directly across the railroad tracks between Main
196 Street and Symphony Park. And, by acquiring this site, we now have a new front door into
197 Symphony Park. So, the benefit of this site is beyond just City Hall; it's also entering to
198 Symphony Park. If we build (sic) the garage and build a walkway crossing the railroad tracks,
199 then we'd clearly have that new way to get into Symphony Park, and are not a slave to any other
200 private investor or landowner downtown to make that entry point into Symphony Park. With
201 this, I'm gonna turn it over to Mark and let him go through some of the financing issues.

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202 **MARK VINCENT**

203 Thank you. Mark Vincent, Chief Financial Officer (sic) for the City of Las Vegas. I won't
204 belabor this, but the point here is we have all the approvals that we need and this – process
205 started well over a year ago.

206 We do have some work we need to do, and that's kind of the point of why we're here. We're
207 still trying to finalize the financing terms, be it through an underwriter or some other financing
208 mechanism within the lease-purchase framework that we've already been approved for. By the
209 way, our approvals that we do have, is for a lease purchase arrangement, no other financing is
210 going to be considered at this point, unless we would restart the clock. So, everything we're
211 looking at is within that – boundary.

212 Last February, we talked about what the debt assumptions were at that time, and we talked about
213 the idea of the seven years, potentially, of deferred interest, at some point along the way, that we
214 would refinance that with some kind of a general obligation, that the – benefit of that was, during
215 the lease purchase period we would have the benefit of the cover of the non-appropriation clause
216 into the lease-purchase.

217 One of the things that has changed, which is sort of a minor thing, is we are now looking at a
218 different sort of – bond, a capital appreciation bond. The immediate issue with that is the par
219 value will be considerably less than \$260 million. It'll be probably around a hundred and sixty
220 and a hundred and sixty-five million dollar range. But that's not to say that it won't appreciate
221 in interest over the seven years. The longer we – take to refinance it, we're still gonna accrue
222 that interest, so, that's just more of a cosmetic issue.

223 With respect to where we are and where we're going, this is probably an important slide. Right
224 now, here today, we're sitting here, and we don't really know what the guaranteed maximum
225 price is to build this City Hall. We would need that, in order to move to market to try to sell any
226 bonds at this point. Our underwriter is gonna require that we have a – known price. The
227 underwriter is gonna require that the plans have gone through certain level of inspection. And
228 so, between now and the end of August, we've got a lot of work to do. And we, in order to get
229 there, we're gonna have to spend some money. The two other important dates here is September
230 2nd, which is when we introduce the COPs ordinance, and then October 7th, which is when we're
231 – scheduled to close. Now, I should mention to you that this is a very aggressive schedule. It's

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232 not; this is a best case schedule. This schedule could very easily slip a little bit, but the – date on
233 which we will try to price, sell and price the bonds, which is going to be the morning of October
234 7th, we'll know then whether or not the package we put together is, in fact, salable in the market.
235 We would come back to you that day with the pricing of that sale, if we're successful, and then
236 you, that would be your last opportunity to vote it up or down. So, we're – well in advance of
237 that seminal vote. So, just to let you know, that's the current schedule.

238 What we wanted to do, in terms of the financial-risk analysis, we want to talk a little bit, about of
239 what's – happened in the last 12 or 15 months, and then compare some of the bookends, what
240 would be the cheapest financing. As the Mayor indicated, you know, the financing is, the
241 financing cost is an issue. What's the cheapest, what's the high end, where – do we think we
242 might end up on. And then, as Betsy indicated, there are also risks associated with doing
243 nothing, and we'd probably like to talk about those just a little bit.

244 What's happened is quite a bit in the last – 12 to 15 months. When we started this project, we
245 weren't, we were just sort of entering in the recession. The real estate financing markets were
246 still pretty – much performing. They were there. People could get projects financed. We were
247 looking at a – lease-purchase rate with COPs financing, maybe 50, 75 basis points higher than a
248 GO rate. So, we knew we were gonna pay a little bit more, but we were in a five and a half,
249 maybe a little higher rate, we were anticipating. Today, that's – different. We have, a lot of
250 developers are delaying their projects 'cause they simply cannot get financing, their financing is
251 being pulled away. By the way, the municipal markets (sic) is probably one of the places that's
252 performing a little bit better than what you're seeing in the – real estate market.

253 The COPs rates now are soon to be, probably, in the seven and a half to eight and a half percent
254 range; 300 basis points higher than we were, you know, in 12 months ago, and – now we're well
255 into the recovery. That's kind of a, an interesting issue, by the way, (inaudible) just point out to
256 you, that the fact that we're already into the, into this, the recession. I said recovery; I meant to
257 say recession. The fact that we're already into the recession a good 17, 18 months, just tells you
258 that when we recover, we're that much closer. So, there's – sort of a silver lining, and that issue
259 that if – this were to be a three or five-year recession, depression, you're already a year and a
260 half into that. So, it shortens that window of time when you expect to have some – recovery.
261 But the reality is the conditions are vastly different today than they were a while ago.

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262 Just real quickly, the revenue bond option, GEO revenue bond option, which we don't have
263 approval for, but that would have been the cheapest financing. Our – debt payment would have
264 probably been in the 14 to 12 million dollar range, depending upon how we would deal with the
265 – garage. The benefits of that, of course, it's a fixed payment, it's the lowest financing you can
266 get, but the cons of that were some of the issues we said no to before. Gen, GO commitment
267 burdens the General Fund immediately. We have a – full faith in credit, promise, and so that
268 means we are putting taxpayers at risk, to the extent we can't service those bonds, that we would
269 be forced to raise property taxes. By the way, we have already about \$287 million in
270 outstanding GO debt today. We just sold some GO debt, GO revenue debt, recently, for the
271 performing art center, 105 million, secured by, car tax revenues. So, if those car tax revenues
272 don't perform, the General Fund is at some risk. We've sold \$40 million here, recently, for
273 recreation bonds for – parks. Those bonds are already outstanding. We're already paying the
274 debt service. It has, those things have an impact already. And so, we don't tend to look
275 backwards and look to see what we've already done. We're looking forward; I understand that.
276 But there, there's not any case I can think of, ever, when I can stand in front of you and say,
277 well, we issue these bonds, it's never gonna have an impact on anything. It's just not the case.
278 So, obviously, there's more risk today, particularly, as we stand here today. So, those are some
279 of the – co, pros and cons there.

280 The – lease-purchase option, obviously, we're looking at a much higher rate today. The benefit
281 of it, though, is the lease-purchase under Nevada law has a non-appropriations clause, which
282 means the annual lease payment is subject to your annual appropriation. That was the safety net
283 that we had during this recovery period that we were looking at. Obviously, it's not our intent to
284 – walk away from that obligation, but – while the – there's a cost to getting that – non-
285 appropriation clause and that's, obviously, the higher, much higher interest rates. The idea here
286 was that, and that's a one to seven-year period, that while there is some minimal lease payment,
287 that would be supported by the General Fund, because right now we don't have the performance
288 of the Redevelopment Agency, today, to support that.

289 The backside of that, though, of course, the negatives are, it's a high – financing cost. And the
290 dilemma, we're sitting here today with all the redevelopment projects and other real estate
291 projects being delayed, to some extent, we can't sit here today and guarantee that that tax

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292 increment revenue is gonna be there to help support this project down the road. But, again,
293 seven years is a – long period.

294 What we really anticipated would happen is, eventually, we'd use the lease-purchase to get us
295 through the recession period, give us some – comfort level and minimize the exposure to the
296 General Fund. But, at some point, when we reach recovery, that we'd refinance those as GO
297 debt, and you get a blended – result from that. So, we, this leverages the idea of the –, less
298 General Fund risk on the front end, higher financing costs for a while, when we recover, then we
299 refinance and take advantage of those GO rates. The difficulty here, of course, is the financial
300 markets being the way, there's no way I can sit here and guarantee you that five or seven years
301 from now we'll be able to refinance it, or that the, redevelopment would be performing, but this
302 seems like it's a –, it seems like the – risk there is – perhaps minimal, but there still is a risk, and
303 – that's something we have to address.

304 The whole scenario, the idea here being, well, we can avoid taking any risk by – shelving the
305 project or delaying it. We certainly can do that. You know, we're betting that the financing will
306 be cheaper down the road and it gives us some time.

307 The couple of things on this con list I would point out, and we've already talked about it,
308 probably the biggest issue is the impact that that has on, the negative impact it has on the
309 downtown redevelopment, the momentum that we've – established for the last few years on – the
310 downtown development. With that, you'd run the risk of, you've got a committed developer
311 today, where would that developer be if this project's delayed. There's a risk to that. There's a
312 risk to the cost. I think, the Mayor mentioned there's no guarantee that, what the pricing of the
313 City Hall's gonna be for construction in a couple years. Today, we're probably getting the best
314 prices we've seen in a long time, and – when you start in that recovery cycle, may not get those
315 prices.

316 With that, I'll just kinda close up with – just saying that, when we look at our debt situation for
317 the City of Las Vegas, and this is a – kind of a two part slide, the top part is where our debt, our
318 outstanding general obligation debt was in February of this year. The bottom part is adjusted for
319 the new performing arts center, which is GO revenue debt and the City Hall. And the reason
320 why I'm presenting this slide to you today is –, irrespective of the impact that general obligation
321 debt has, it's important for you and the public to recognize that we have been good stewards of –

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our taxpayer money. We have managed our debt very well. We have some of the lowest debt, currently have the lowest debt in the state on a per capita or assessed value basis. And, even after considering the performing arts center and a City Hall obligation, if that were to go forward, we'd still be one of the lowest in the – State of Nevada, in terms of our – debt ratio.

So, I'm just trying to give you the feeling that – this is not to say we can't afford it, this is not to say there won't be an impact down the road, but we haven't been irresponsible on how we've managed our debt in the past, and we don't intend to be irresponsible moving forward. But, again, as I stand here, as your Chief Financial Officer (sic), I certainly can't tell you that – anything we do today or tomorrow, with respect to this project, won't have an impact on the General Fund, just like I couldn't have told you that on any other debt we've issued in the past.

MAYOR GOODMAN

Thank you.

SCOTT ADAMS

(Inaudible) quickly sum her up, and then get right to what we're – asking direction on. You know, these, this – balances out a number of the issues that have been brought forward by Mark and myself over the last few slides. You know, Mark said that the City's per capita debt is still gonna be below other Nevada municipalities, even after COPs, if we do this. And, while our current borrowing, cost of borrowing is high, there's no guarantee of what that future cost will be. There may be the risk of pledging future General Fund tax revenues and we're not sure about whether the RDA TIF or land revenues will cover the payments.

The flip side, will there be an increase in future construction costs? We're realizing incredible savings right now in building construction projects. There's a window of opportunity that exists in building a major project like this.

And, proceeding with COPs and the land swap keeps Forest City vested in development downtown. It keeps our relative position, on Parcel PQ to the new City Hall site, intact and keeps the developer in place. And, not going forward, will that cause a delay that causes a redevelopment backslide? We have built up an incredible amount of momentum, and I said at

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the outset, we got four \$1 billion projects that are tied catalytically to this one project and a decision.

So, what are we asking for? As Mark had said, our underwriters, to get into the market, need to know what a firm construction price is, and we need to know what the financing terms are. We, we're speculating at this point, on both of these. We've got good, firm estimates. We got some sense of where the bond market is, but you really don't know until you get more information, specifically.

So, we're asking for Council direction on moving forward with several things. On appraisal and construction feasibility study, this is something the underwriters want. They want a, an appraisal of the project, after it's built, to know that (sic) where they stand in relation to a value to debt, and they wanna know whether it can be built feasibly for what we say it can, and they want that done by an independent party.

We need to get to plans review. We need to get far enough through the plans review process to know whether there's (sic) any code or permit issues that might impact cost, and we need to do that before we go out for bid. That's gonna cost us \$216,340 to do that. We may need further authority to keep going with the balance of the permit fees – up to, our estimate is \$650,000. Let me be clear to that, \$216,000 is inside that \$650,000. We've esti, estimated the total permit cost to be about \$650,000. The underwriters may require a building permit, at the time we introduce our COPs ordinance, to have all the ducks in a row, and so we may need to go all the way through that process. We will manage this judiciously, but, at the end of the day, we may need to do that. And we need to seek bids prior to the introduction and have a firm bid price prior to the introduction of that COPs ordinance.

Now, all of these expenses have been budgeted and are part of that \$10.1 million that I had already explained you've committed to this project. So, there – is no further budget augmentation required. We just didn't wanna go to the expense of these things, at the magnitude they're at, without your direction, if you didn't wanna go forward with this project. So, that's the first thing we're looking for.

The second thing is for your approval to proceed with putting the COPs process and ordinance into (sic) the process at City Council under a schedule. Now, as Mark said, this is the best case schedule, where we'd introduce the first reading of the ordinance on September 2nd, the second

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381 reading on October 7th, and then we would have a subsequent sale and closing of COPs. It could
382 be, though, if our underwriters require it, and they're the banker and they make the rules, that we
383 need to have a lot of this done before that first reading. And, if that were the case, it could delay
384 this process, first and second reading, by up to two months. It could be a November, December
385 set of first and second reading of ordinance. So, we think we have a range here of September,
386 October to Dec, to November/December. The September/October is the best-case scenario that
387 we believe we can get it done under, if we can get the underwriter to listen to how we should get
388 this done.

389 So, these are the things we're asking for direction from you on, today. And I'll – remind you, I
390 guess, I'll close with, you know, and you (sic) seen this slide a – zillion times, I know. And this
391 really reinforces what I said at the outset, that these are the projects and sites in the City real
392 estate assets that form the basis of the strategy and the underlying strategy of – the City Hall
393 project. As I said, it's more about strategic asset management and more about getting the highest
394 and best use of our waterfront property than it is about building a new City Hall to meet the
395 future growth needs of the City. And it's about the economic impact, the job creation, the
396 private investment that would result as of a result of one strategic move of – a City facility. And
397 there, I think, is a residual benefit, that we have an old City Hall that's getting tired, it's 30,
398 almost 40 years old and there's (sic) certainly benefits associated, energy, and a lot of other
399 reasons why we could also build a new City Hall.

400 So, that, that's the end of our presentation. We do have the entire Forest City development team
401 here. One of the Live/Work partners, David Mitchell, and Bill Arent, with the Office of
402 Business Development. Collectively, we can all answer any questions you might have at this
403 point.

404
405 **MAYOR GOODMAN**

406 Very good. Before we open it up for questions, I'd like to make a brief prefatory statement, from
407 my perspective, having been intimately involved with the vision of this Council and what we've
408 been trying to accomplish as a Council. We made a decision a while ago that we wanted to be
409 the world-class city, at least a world-class city, and we realized that in order to do that, you have

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410 to define what is world-class, and, certainly, four \$1 billion projects in a downtown that is
411 thirsting for vitality, goes a long way to accomplishing that objective.

412 The second thing that we did is we said, if that is our goal and that's our vision, how much does
413 it cost to accomplish that? That's, basically, what we're asking ourselves today, as I understand
414 it. To find out how much it's going to cost to have this one project.

415 And, the third, and this is something that we don't know the answer, because we don't know
416 what the economic market will be at the time that we seek to get the financing, how do we pay
417 for it? The, that's, simplistically, that's the – equation we're – faced with, as Betsy says, in order
418 to make our policy decision, as to what we're going to do here.

419 I think that every world-class city has great buildings, great architecture, great commerce, great
420 art, great medicine, great culture, and this Council has been uniform in trying to provide that as
421 far as our redevelopment process. Pretty darn good. We got great medicine, with the Lou Ruvo
422 Brain Institute about to open, within the next 30 to 60 days, and the Cleveland Clinic, one of the
423 world-class institutions staffing it. We have great culture, with the wonderful performing arts
424 center having broken ground, and will be in (sic) completed in 18 months, which will make this a
425 very, very special place to live.

426 The third thing that we've talked about was an arena, to become a major league city, as far as
427 sports are concerned, and we've been assured, as recently as, at least inferentially, yesterday,
428 when I received a note from Gary Bettman, the Commissioner of the National Hockey League,
429 saying how much he enjoyed being here for the Stanley Cup banquet that they had over at the
430 Palms, which we referenced earlier today. That – gives me great hope, that between him and
431 David Stern, and the interest shown by Major League Soccer, that we will have a major league
432 sports team here.

433 But I know how important this project is, and it didn't come home, to me, as much as two – days
434 ago, when you gentlemen were sitting in my office. Mr. Vincent and Mr. Adams were there, and
435 we spoke to a major developer who has been in continuous discussions, with Mr. Adams, about
436 building us an arena. And, the arena was going to be a part of a whole complex, one of these \$1
437 billion complexes with special entertainment, which would differentiate us from other cities and
438 provide us the opportunity to become great, which is what this Council wants to accomplish.

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439 And, basically, the question was asked that if we don't go forward with the City Hall project and
440 that doesn't free up this building to be part of that development, the eight acres here and the 12
441 acres across the street, a casino – hotel on this site. And as Mr. Adams indicated, this is our
442 waterfront. This is the place where we have the confluence of the two major highways. Other
443 cities have rivers; we have the concrete, and we have to do the best with it, but we also have an
444 address, which is virtually Las Vegas Boulevard and Fremont Street. It doesn't get much better
445 than that any place else in the world. And the answer of, from this developer, it would make the
446 project tougher for him to go forward with, because he needs this property.

447 And, as Mr. Adams said, I think you said it was catalytic, where everything, I've – likened it to a
448 jig, jigsaw puzzle, where we have these four different projects, these four different areas; the –
449 City Hall area, the PQ parcel at Symphony Park, the CIM project, with the Lady Luck, and then
450 the City Hall project. They're like dominoes; if one falls, they, they're all gonna fall; they're not
451 gonna take place.

452 So, I think, if we're going to fulfill our vision, we have to explore how much it's going to cost,
453 that's the second phase, and then, down the road, when we see what happens with this economy,
454 whether we can even sell bonds, or sell COPs, or get money from the union pension funds, or get
455 money from the bank that you've been dealing with, we have to see whether we're able to do
456 that. But, before we can even reach that point, we have to know how much it's gonna cost.

457 So, I don't think we have a choice, unless we just wanna throw up our hands and say, let's go
458 back to where this City was headed to ten years ago. This would be rubble, if it had not been for
459 redevelopment. It would be a disaster here, and it would have a reverberating effect throughout
460 the entire community; people forget that. They take for granted what's happened here. But,
461 without just every day us pushing ahead, gnawing, and, I mean, plotting, this wouldn't have
462 happened. And I thank the Council because, but for their – vision, none of this would have
463 happened, and each, in their own way, expresses it beautifully as to what it means to them. And,
464 now, I'm gonna open it up for questions or comments.

465
466 **COUNCILMAN REESE**

467 Your Honor?

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468 **MAYOR GOODMAN**

469 Yes.

470

471 **COUNCILMAN REESE**

472 Just – a couple quick comments. You know, representing the, different parts of the City of Las
473 Vegas the last few years, I – really bought into this Redevelopment Agency. And we was (sic)
474 very fortunate, when we got Scott Adams to come aboard and to help us. And, you know, we –
475 talked about City Hall, and we talked about some of the – things that the Mayor just mentioned,
476 but I have to tell you, you know, you go out and – look at the older parts of Las Vegas. We
477 completed some of the projects downtown with our help this morning, with the Siegel Group.
478 They really made an impact in helping redefine the old areas.

479 We had a Councilman here a while back, he's now a County Commissioner, he used to use the
480 phrase, he really got a kick out of going out and look at the Disneylands of the City of Las
481 Vegas. By that, he meant the areas in Ward 2, 4 and 6. He represented Ward 5 at the time. And
482 we've been able, through the Redevelopment Agency, to help some of the struggling businesses
483 downtown. Well, I say downtown, in and around Wards 1, 3 and 5, and I – thank the Lord every
484 time I go to bed for Scott Adams, because it's with his foresight, that he's been able to bring in
485 and help, work with people like the people from Forest City. They distinguished themselves, by
486 coming forward, and they've been working on projects all over the country, and, especially, this
487 one here, in the City of Las Vegas, and the – project they have over on Third and Charleston.
488 You know, it amazes me that I continue to – sit up here and I, when I – hear about what we
489 wanna do and the press, the attention that we get, but yet, our sister city to the north, they broke
490 ground for a new city council, or a new city hall about three weeks ago. And I mentioned that to
491 a number of people, and they didn't even know it. You know, but we get – chastised for even
492 thinking about it, and that's all we've done, is we've – tried to figure out how – we could, then
493 people ask us why we need a new City Hall. And I've entered this City Hall many, many times,
494 when it was raining, and they had garbage buckets down there in the hall, hallway on the
495 basement catching the water. There's (sic) many flaws with this City Hall. There was a flaw
496 when it was first built. They built a jail without a kitchen. They spent many, many dollars just
497 trying to – feed the prisoners that we had here at City Hall.

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498 There's been talk about, you know, building one ourself (sic). Well, we was (sic) part of the
499 RJC when they built that, and I think that's about \$50 million over budget, and there's (sic) still
500 lawsuits pending. The – elevators over there, early in the morning, you – stand in line clear
501 outside. There's (sic) many, many flaws with – an individual building it themselves. But again,
502 – with a private developer helping us, maybe he can help us to afford it. We don't know, and,
503 you know, we've – been chastised and been (sic) questioned for even looking at. And that's all
504 we're doing here today, is we're continuing to going down the process. And all the figures
505 we've looked at, to me, has just been an estimate, a rough estimate, and now we're gonna get out
506 there and really try to buy that new car. And if the – price comes in where we can't afford it,
507 then I'm not gonna support it. But I – feel like we owe it to our ourselves and to Forest City to,
508 at least, go one step farther.

509 And I wanna thank staff for their drive. They've – really done their homework, I think, on –
510 every time they ever represented something like this to us, and it's, to me, it's made it easy, for
511 me, to make a decision.

512 And I know that, like I stated earlier, the Redevelopment Agency, you can look around to the
513 west of us here a little bit and you can see what it's done. But I would like to ask anyone who
514 lives in Ward 2, 4 and 6 to come down into my ward, Ward 3, and look and see what the RDA
515 has helped us down there. And, without these bigger projects, we wouldn't have the money to
516 fund the smaller projects. And it's very imperative that we keep going with our RDA, and so, to
517 me, we – have to support 'em and keep going, and I'll be ready to make a motion after we hear
518 from other Councilmembers.

519

520 **COUNCILMAN WOLFSON**

521 Mayor Goodman?

522

523 **MAYOR GOODMAN**

524 Yes, Councilman Wolfson.

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525 **COUNCILMAN WOLFSON**

526 Thank you. Today's decision is easy, as far as I'm concerned, because we're being asked to
527 spend money that we've already budgeted for. And not to be too redundant and repetitive of –
528 my colleagues, but the bottom line is, to get to a point where we need, to be to have a firm
529 construction price, we need to spend the money, which once again, we've already budgeted for.
530 We've gone down this path. We need to go to this final level. But, like I said, today's decision
531 is easy. The tough decision is going to be in six or seven or eight months, probably the toughest
532 decision that most of us'll (sic) ever make. And I'm actually looking forward to that decision.
533 One of the things that I'm going to ask in the future, 'cause I'm really not getting it in simple,
534 clear terms. And one of the things I'm going to need in the future is what I'm gonna call the
535 worst-case scenario. Whether we do the COPs financing, whether we do an alternative form of
536 financing, I'm going to need, before I vote one way or another, a worst-case scenario as far as a
537 hit to the taxpayer. That's what I'm calling it. I know that if we have to go into General Fund to
538 make certain payments down the road, that may affect other projects. Well, how much will we
539 have to go into the General Fund and for how many years? And if we have to do that, can we,
540 legally? And what other types of projects may it affect? And I need that in simple terms, guys.
541 Scott, you do a great job, I can't – say it better than Mayor Pro Tem Reese, and – Mark, too, and
542 Betsy, of course. But sometimes you guys speak in a language that, you know, I have to hear
543 twice to understand, so I'm wondering what the general public out there and how much they're
544 understanding (sic). So, as the months go forward, and when we get to that critical vote, of
545 whether to move forward with the financing package that we learn in a few months, I'm gonna
546 need to know, in very clear, easy, simple terms, what the worst case scenario is.
547 And then my final comment is this. I don't know much of anything. I don't know many
548 decisions where there isn't some risk involved. Wouldn't it be nice in life if there was no risk
549 involved? Our decisions would be so easy if there was no risk involved. The question is how
550 much risk. And I'll use an example that I've used a number of times over the years, as a
551 Councilman up here, and that is, that I wish back in the 80s, our – City and County leaders,
552 could have forecast better about the 95 expansion, 'cause it took so long to get that done. How
553 many years did we fight traffic on the 95, going out north? Finally, we did what was needed,
554 and it took a long time because of lawsuits, etcetera. But I don't want this Council to fail in that

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555 vision, as the Mayor – terms it, being – able to look into the future, that’s what our obligation is,
556 to look short term, of course. We wanna protect our citizens. We wanna make wise decisions.
557 But like I said, no decision is without risk. I wanna make the right decision with a vision for
558 what’s going to be best for the citizens, not only of City of Las Vegas, ‘cause the decisions we
559 make affect all Southern Nevadans. And I wanna just have simple explanations as to what the
560 worst-case scenario is.

561 And then the last thing, Scott, I mean, I – agree a hundred percent with your characterization of
562 strategic asset management. We have to be smart. We have to act like private sector people as
563 well. We have to be sensitive to public monies and taxpayers and constituents, but we have to be
564 smart, like the private sector, and when we see opportunity, we seize it. And that’s what you’re
565 doing, Scott and Mark and Betsy and this Council. We are looking at the best ways to manage
566 property we own. We own property, and how can we best manage it to make the best profit?
567 And I don’t mean that in the literal sense, but how can we best manage our assets to get the best
568 bang for our buck, and that’s what we’re doing. Because, oh, no, we’re not gonna be able to sell
569 this property in the next year or two, but, hopefully, in the next three or four or five years, this
570 (sic) 18 acres, which is waterfront property because of the 95-15 intersection on Las Vegas
571 Boulevard. I mean, my vision is that when we get the new City Hall, we sell this property for
572 hundreds of millions of dollars, and then we pay off this debt. Now, that sounds pretty good;
573 doesn’t it? You know, we’ll see, I guess. But we have to have a vision to look to the future and
574 be optimistic and pragmatic at the same time. So, the decision today is a no-brainer. We spend
575 the money we’ve already budgeted to get us to a position where we’ll have all of the facts where
576 we make the final decision.

577

578 **MAYOR GOODMAN**

579 Okay. Any other comments?

580

581 **COUNCILMAN BARLOW**

582 Mayor Goodman?

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583 **MAYOR GOODMAN**

584 Yes, Councilman Barlow.

585

586 **COUNCLMAN BARLOW**

587 Understanding that the City's budget does not look like what it did two years ago, when we
588 started down this road, having worked with our unions and having discussions in regards to
589 salaries and wages, we went to the process of closing recreational centers, due to the budget, and
590 considered alternative work schedules with our labor force, this Council is not new when it
591 comes to facing very tough decisions that come before it. On the other hand, we have a viable
592 developer who has a commitment to bring forth a project that would ultimately leverage the new
593 development and revitalization of a slumping downtown community. With it, bringing the
594 possibility of many jobs, entertainment, an opportunity for the public and private sector.

595 The term risk has come up on several occasions during this conversation, and, I believe, that this
596 Council has to be thoughtful and wise in its approaches as to what side of the risk will we stand
597 (sic). We have an opportunity not to do anything, but with that comes risk. We have an
598 opportunity to move forward with the risk, to – at least give us that next stage. I believe that we
599 have to be mindful of how, in fact, we impact the General Fund and be mindful of the fact that
600 we are fu, fudiciarily (sic) responsible for the – City's tax dollars.

601 As we prepare to make a decision, today, I believe, that the, that this Council will make the right
602 decision as to what side of the aisle we'll stand on, and democracy, within its best practice, will
603 be shown here today, taking into consideration, once again, that this is a very tough decision.

604 And, at the end of the day, it is my belief, it is my hope that we (sic) make the right decision for
605 the betterment, for the greater good of the community, whatever that may be. Thank you, Mayor
606 Goodman.

607

608 **MAYOR GOODMAN**

609 Okay. Thank you. Anybody else wanna be heard at this time? Councilman Anthony.

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610 **COUNCILMAN ANTHONY**

611 Thank you. Good – presentation, Mark and now Scott. I mean, you covered both sides, and – I
612 have to commend the Mayor for having a public discussion on this and making sure the public
613 knows what’s happening. But, for me, it comes to really what everybody’s mentioned, risk and
614 timing and you’ve all mentioned that. And just, in my mind, I still think this is too risky of a
615 project. It’s getting’ even riskier, and I just don’t think the timing is right. I think, I still think
616 this is a project that we could put on hold for a while and let – the economy come back on track,
617 and – then we can build it. So, I can’t support moving forward. Thank you.

618

619 **MAYOR GOODMAN**

620 Anybody else like to be heard? Councilwoman?

621

622 **COUNCILWOMAN TARKANIAN**

623 I – just wanted to say that I agree with Councilman Wolfson, that we should keep our – main
624 focus on this item. It’s an item upon which we are, the item upon which we are voting today
625 does not approve additional funding in any way for City Hall. What we are voting upon is
626 releasing redevelopment funds already approved by the Council, in order to obtain more specific
627 information as to construction costs, money borrowing costs and so forth.

628 For example, when we talk about the need to know if – we will be able to use COPs, we need to
629 primarily know what would be the cost of the COPs. And common sense tells us we need to
630 have much more specific information in order to make an informed decision, as to, if we move
631 forward or not. The building of a new City Hall, I think, has never been the main issue. Rather,
632 the issue is making money for the City with the limited assets we have while, at the same time,
633 protecting our taxpayers.

634 Now, much has changed in the last several months. I’m very concerned about going forward
635 with this project. It may no longer be feasible. I don’t know. And as I try to talk to experts,
636 they all tell me the same thing, they’re concerned also, but they don’t know. Nobody knows
637 where we are.

638 So, I just feel that we have not used General Funds yet, and I, myself, would not want to use
639 General Funds. I feel we have many, many great needs, and we don’t want to tap into General

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640 Funds at a time when we, our economic situation is so tight. But, on the other hand, this vote
641 today is to release the funding that we've already voting upon previously, to move ahead, get the
642 information that we need and knowing that a vote yes on this item, today, does not mean future
643 commitment to vote for any additional funding or for any additional moving forward.

644 As Councilman Wolfson said, the big, tough vote is going to come after we get all this additional
645 information, as to bids and as to all this other, so that we know and have to decide, can we move
646 forward then. And as I understand, that will come sometime, probably, towards the end of the
647 year; is that correct?

648

649 **MAYOR GOODMAN**

650 I think, more like September.

651

652 **MARK VINCENT**

653 Yeah, maybe (inaudible) –

654

655 **COUNCILWOMAN TARKANIAN**

656 I think, September was your best –

657

658 **MARK VINCENT**

659 The fall.

660

661 **COUNCILWOMAN TARKANIAN**

662 Yeah, you have to, the Mayor's always optimistic, so he moves for September. I have more
663 worries, I think. So, I –, my understanding was by the end of the year. And – it's a hard
664 decision to make. I just hope the people understand we're trying to make the best decision, and
665 we need to make it for the taxpayers in a way that it doesn't hurt them. Thank you.

666

667 **MAYOR GOODMAN**

668 Thank you. All right. Would the folks from Forest City or Live/Work wanna be heard at this
669 time? I'd be happy to hear from you if you'd like. Please identify yourself for the record.

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670 **DIMITRI VAZELAKIS**

671 Mayor and Councilmember (sic), Dimitri Vazelakis, from Forest City and David –

672

673 **DAVID MITCHELL**

674 – David Mitchell from Live/Work.

675

676 **DIMITRI VAZELAKIS**

677 We don't have any comments to make. We're just here if there's any questions to be asked.

678

679 **MAYOR GOODMAN**

680 All right, very good. All right. Thank you. Are there any questions of either of the gentlemen?

681

682 **COUNCILMAN WOLFSON**

683 Well, actually, gentlemen, we've all talked about your commitment. Gentlemen, please step us.

684 We've all spoken for you, if you will, to talk about your commitment and your continued

685 commitment. Tell us about your commitment and continued commitment; are you committed to

686 this project?

687

688 **DIMITRI VAZELAKIS**

689 Councilman, we're certainly committed to the project and, as an example of that, recently, as

690 recently as this week, we have increased our equity into the land of our holdings in downtown.

691 So, we're certainly, very, very committed to the project.

692

693 **COUNCILMAN WOLFSON**

694 Okay. Thank you.

695

696 **MAYOR GOODMAN**

697 All right. Thank you for that question.

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698 **COUNCILMAN BARLOW**

699 Mayor Goodman?

700

701 **MAYOR GOODMAN**

702 Yes, Councilman Barlow.

703

704 **COUNCILMAN BARLOW**

705 Thank you, gentlemen, for being here today. Reading in the – papers, nationally and locally,
706 there's a number of properties throughout Las Vegas that have been either, funds have been
707 withdrawn, banks have stepped away. From speaking of your commitment, how do you perceive
708 that or how does that affect you in any way, as far as what's happening here, not only – on a
709 national level but on a local level, when it comes to financing and things of that nature,
710 specifically speaking to this development?

711

712 **DIMITRI VAZELAKIS**

713 Councilman, I think we're the same way as every other developer. You know, and dealing with
714 lenders is a very important aspect in our business, and we do that on a regular basis. We've
715 certainly done that on this particular site, and we've done it on other sites as well, and we'll
716 continue to do that. The negotiations are tough, but we're being successful, and I'm sure we'll
717 continue to be successful.

718

719 **DAVID MITCHELL**

720 I might – wanna add that our lenders are extremely supportive of the project. In fact, there's a
721 representative from KeyBank here, today, who flew from Cleveland to attend this meeting.

722

723 **COUNCILMAN BARLOW**

724 A representative from KeyBank?

725

726 **DAVID MITCHELL**

727 KeyBank, our lead lender.

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728 **COUNCILMAN WOLFSON**

729 Is he ready to write a check?

730

731 **MAYOR GOODMAN**

732 Very good.

733

734 **COUNCILMAN BARLOW**

735 Is he ready to write a check?

736

737 **DAVID MITCHELL**

738 He's already written a check.

739

740 **COUNCILMAN BARLOW**

741 Where is he? Please come forward, Sir.

742

743 **MAYOR GOODMAN**

744 I just have to say this, Councilman Barlow came back from Harvard, so I'm going to advise you,
745 you have the right to remain silent.

746

747 **JOSH MAYERS**

748 I may.

749

750 **MAYOR GOODMAN**

751 Okay. Councilman.

752

753 **COUNCILMAN BARLOW**

754 I wouldn't recommend you do that. No, I really just want to just thank you. Please come to the
755 – microphone and state your name for the record.

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756 **JOSH MAYERS**

757 It's Josh Mayers.

758

759 **COUNCILMAN BARLOW**

760 And – who you represent?

761

762 **JOSH MAYERS**

763 KeyBank.

764

765 **COUNCILMAN BARLOW**

766 KeyBank. I just wanted to just thank you all for your continued commitment to this project and

767 to the development of what we're trying to do here in the Las Vegas Valley, and – welcome you

768 to the City, and, of course, welcome your dollars as well.

769

770 **JOSH MAYERS**

771 Thank you.

772

773 **COUNCILMAN BARLOW**

774 Thank you.

775

776 **MAYOR GOODMAN**

777 Thank you. All right, thank you, gentlemen. We appreciate it. Mayor Pro Tem, do you have a

778 motion?

779

780 **COUNCILMAN REESE**

781 Yes, Your Honor, with a few added comments. First of all, you know, we've – been committed

782 in trying to bring jobs to the City of Las Vegas. We have many people out of work today. I met

783 with the Live/Work and the Forest City people down at the barbershop, and they led me to

784 believe that they're willing to work with all those people that are needing jobs, and they want to

785 work with some of the minority groups, to make sure that everybody's represented in this

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786 project, which I – think is great on their – behalf. But, again, though, we have to do those things
787 that are right for the people that elected us, of course.

788 **But, in my motion, I wanna put on record what the other Councilmembers have said, as**
789 **well as the Mayor. I want to, in my motion, go forward with going out to bid on this**
790 **project and finally coming up with a – cost, to see how much the new City Hall will cost us.**
791 **And I would like to proceed with the – COPs pro, process, per schedule, and also, maybe,**
792 **look at other financing me, mechanisms, at this time, to see if there's some other way we**
793 **might be able to finance this.**

794 And, you know, I think it is, when we – talked about the performing arts center being a
795 momentum catcher, chaser, I think, this City Hall is also part of that momentum. And, I think,
796 we need to continue building downtown, and I know the – building industry is really slowing
797 down. I don't know what's gonna happen to our economy once CityCenter gets completed,
798 because I see too many jobs like that coming online in the next couple years. I understand that
799 the Tropicana is gonna go in and do a little work. So, there are – jobs out there. We need to be
800 part of that, and that's my motion, Sir.

801
802 **MAYOR GOODMAN**

803 All right. Very good. Let's vote on that, please.

804
805 **COUNCILMAN ROSS**

806 Your Honor?

807
808 **MAYOR GOODMAN**

809 Yes.

810
811 **COUNCILMAN ROSS**

812 At this time, whether you may or may not be in discussion with any union pension funds, nor
813 have you disclosed what unions those may be, because of my role as secretary treasurer of the
814 building trades, I feel, in an abundance of caution, that I should abstain from this item. Mr.
815 Jerbic, have I left anything out?

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816 **BRAD JERBIC**

817 No, I think that's correct. And I – just wanna clarify it for the record. Because, if you jump
818 back in, in the future on a vote, I want it to be clear that we're limited to this set of facts. That,
819 by going forward, one small component of going forward may be talking to individuals that
820 Councilman Ross represents in his capacity as Secretary Treasurer of the Southern Nevada
821 Building Trades Council. I think, on 99 percent of what's gonna happen next, you have no
822 conflict of interest at all, no, in fact, we're not even building the building, this is gonna be built
823 by a developer. We won't be picking union or non-union. So, I want that clear for the record.
824 But, because one small component of this may involve staff contacting your clients in your
825 private capacity, I think the appropriate thing to do is to disclose and abstain.

826

827 **COUNCILMAN ROSS**

828 And, Your Honor, just to clarify that, too, you haven't disclosed who those are.

829

830 **MAYOR GOODMAN**

831 Right.

832

833 **COUNCILMAN ROSS**

834 So, it may not even be the unions that I represent, but, in that abundance of caution, I just want to
835 make that clear for the record.

836

837 **MAYOR GOODMAN**

838 And I – appreciate that. If, in fact, there are other financing sources that don't involve any kind
839 of union pension funds, then this abstention in no way will keep the Councilman from being part
840 of this process?

841

842 **BRAD JERBIC**

843 Absolutely correct.

844 MAYOR GOODMAN

848

850 /ac;gpb