



AGENDA MEMO

CITY COUNCIL MEETING DATE: NOVEMBER 4, 2009

DEPARTMENT: BUSINESS DEVELOPMENT

ITEM DESCRIPTION: Discussion and possible action regarding an Exclusive Negotiation Agreement between the City of Las Vegas and The Cordish Companies

1. The proposed Exclusive Negotiation Agreement (ENA) between the City and The Cordish Companies (Cordish) encompasses a total of approximately 20 acres split between 2 sites at Las Vegas Blvd. and Stewart Ave.

a. The City Hall Site is approximately 7.75 acres consisting of the existing City Hall site and Stewart Ave. Parking Garage.

b. During the ENA, Cordish will explore the feasibility of developing a casino/hotel on the City Hall Site.

c. The Live District Site is approximately 12 acres of vacant land to the east of and directly across Las Vegas Blvd. from the existing City Hall site.

d. During the ENA, Cordish will explore the feasibility of developing a "Live District" and an arena with at least 18,000 seats suitably designed for a professional hockey team from the National Hockey League (NHL) or professional basketball team from the National Basketball Association (NBA).

2. The Negotiation Period for the ENA will initially be 2 years with a 1 year extension at the option of Cordish.

3. During the Negotiation Period, Cordish cannot negotiate with any other person or entity to own, develop, operate or manage an arena in Clark County, NV (as described in l.d. above).

4. Cordish will provide the City with a \$100,000 ENA deposit that will be fully refundable upon expiration of the Negotiation Period or termination of the ENA by Cordish due to its determination that development of either the Live District Site or City Hall Site is infeasible.

5. During the Negotiation Period, Cordish shall provide to City or make available for review by City:

a. A schedule and scope for design, permitting, construction and completion of improvements on the Live District Site and City Hall Site (Sites);

b. A tenanting strategy for a Live District and Casino/Hotel; and,

c. A proposal setting forth business terms acquisition and development of the Sites.

6. Also, during the Negotiation Period, Cordish will:

City of Las Vegas

- a. Complete all necessary due diligence on the Sites;
 - b. Work with the City to:
 - i. Create a viable financing plan, using a combination of public and private capital sources, and proforma demonstrating economic viability of a Live District and Casino/Hotel; and,
 - ii. Determine the economic viability of an Arena, requirements for public financing, availability of public financing, recruit a NHL or NBA team and arena operator.
7. The City has agreed to reimburse Cordish for up to \$150,000 towards the cost of third party expenses incurred to fulfill its responsibilities under this ENA. All studies, reports or other deliverables generated as a result of third party costs reimbursed by the City will belong to the City.
8. During the Negotiation Period, the City will retain the sole discretion to utilize any portion of the Live District Site and/or City Hall Site to host temporary events such as the Helldorado Rodeo or a carnival.