City of Las Vegas

Agenda Item No.: **5.**

AGENDA SUMMARY PAGE

REDEVELOPMENT AGENCY MEETING OF: MARCH 17, 2010

DEPARTMENT: OFFICE OF BUSINESS DEVELOPMENT
DIRECTOR: BILL ARENT

SUBJECT:
RESOLUTIONS:

RA-5-2010 Public hearing and possible action regarding a Resolution finding the proposed Sub-Lease and Operating Agreement between the City of Las Vegas Redevelopment Agency and the Urban Chamber of Commerce to be in compliance with and in furtherance of the goals and objectives of the Redevelopment Plan and approving the Sub-Lease and Operating Agreement for the Las Vegas Business Center at 951 Stella Lake Street (APN 139-21-313-017) - Ward 5 (Barlow) [NOTE: This item is related to Council Item 58 (R-19-2010)]

Fiscal Impact

☐ **No Impact** ☐ **Augmentation Required**
☐ **Budget Funds Available**
Amount:
Funding Source:
Dept./Division:

PURPOSE/BACKGROUND:
The City of Las Vegas Redevelopment Agency (Agency) proposes to lease from the City of Las Vegas, the Las Vegas Business Center (LVBC) in order to establish a business incubator that will facilitate the establishment of new commercial enterprises, as well as to encourage the retention, support and expansion of existing commercial enterprises within the Redevelopment Area. The Urban Chamber of Commerce (UCC) desires to sub-lease office space in the LVBC in return for providing receptionist, mentoring, and administrative services to business incubator occupants.

RECOMMENDATION:
Approval of the form of Sub-Lease and Operating Agreement between the Agency and the UCC, as well as authorization for the Agency's Chairman to execute said Sub-Lease and Operating Agreement.

BACKUP DOCUMENTATION:
1. Resolution RA-5-2010
2. Sub-Lease and Operating Agreement between the City of Las Vegas Redevelopment Agency and the Urban Chamber of Commerce for the Las Vegas Business Center
3. Site Map
4. Submitted at Meeting Public Purpose/Impact Analysis
5. Submitted after Meeting Site Map and Facility Layout

Motion made by RICKI Y. BARLOW to Approve

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Passed For: 7; Against: 0; Abstain: 0; Did Not Vote: 0; Excused: 0
RICKI Y. BARLOW, LOIS TARKANIAN, STEVE WOLFSON, OSCAR B. GOODMAN, GARY REESE, STEVEN D. ROSS, STAVROS S. ANTHONY; (Against-None); (Abstain-None); (Did Not Vote-None); (Excused-None)

Minutes:
By way of reading the item, the Public Hearing was considered opened by CHAIR GOODMAN.

BILL ARENT, Operations Officer of the Redevelopment Agency (Agency), paraphrased the Subject and Purpose/Background sections. As a matter of background, he indicated the building was built in 1998 to be used as a business incubator to provide below-market space to businesses looking to expand. The venture was funded with Community Development Block Grant and Economic Development Administration funds. Referring to the site plan, he mentioned the majority of the building remains vacant, with only three tenants. Therefore, the City desires to establish the original business incubator use, as there is a demand for it in this downturned economy, and embark on a partnership with the Urban Chamber of Commerce (UCC). The agreement has been structured such that the City will be leasing the building to the Agency, because the City owns the asset and the Agency will sub-lease a portion of the building to the UCC.

The required Nevada Revised Statutes (NRS) Public Purpose Impact Analysis, which was submitted, was conducted in order to enter into this agreement. The lease will include the space of three suites for a five-year period, at a monthly cost of $1, with two five-year options. With a lease value of approximately $43,000, the City will in return be receiving in-kind services. The Agency is projected to invest $150,000 annually to subsidize the operations.

MR. ARENT noted the Impact Analysis satisfies the NRS requirement to obtain two appraisals, and staff believes the venture is well worth the investment and is projecting the creation of about 37 jobs annually.

JERRIE MERRITT, President, and HANNAH BROWN, President Emeritus, of the Urban Chamber of Commerce, were present. MS. MERRITT stated this is an excellent opportunity and no better time to partner with the City of Las Vegas, because the UCC is already receiving interest from businesses. CHAIR GOODMAN agreed that many small businesses need a little help getting started.

MS. BROWN said she appreciates the relationship that has been fostered between the UCC and the City over the years and committed to working very hard on this venture.

MEMBER BARLOW thanked MR. ARENT and his staff for crafting the agreement, noting that there is no better agency for the City to partner with, especially under its current leadership. He strongly supported embarking on this venture.

By way of reading the next item, the Public Hearing was considered closed by CHAIR GOODMAN.