



AGENDA SUMMARY PAGE
CITY COUNCIL MEETING OF: MAY 16, 2007

DEPARTMENT: CITY MANAGER
DIRECTOR: DOUGLAS A. SELBY

Consent Discussion

SUBJECT:
ADMINISTRATIVE:

Discussion and possible action regarding an Amended and Restated Agreement to Design, Construct, and Lease a Performing Arts Center by and among City Parkway V, Inc., the City of Las Vegas, and the Las Vegas Performing Arts Center Foundation on a portion of Union Park located generally North of Roseville Avenue, East of Grand Central Parkway, South of the Ogden Avenue underpass, and West of the Union Pacific Railroad (a portion of APN 139-34-110-004) (\$5,603,000 - General Fund) Ward 5 (Williams)

Fiscal Impact

No Impact Augmentation Required
 Budget Funds Available

Amount: \$5,603,000

Funding Source: General Fund

Dept./Division: OBD/Redevelopment

PURPOSE/BACKGROUND:

On December 27, 2005, the Las Vegas Performing Arts Center Foundation (PAC) and the City of Las Vegas approved a development agreement to govern the design, construction and leasing of a performing arts center. PAC has redesigned the project to a new Parcel H/I which will include a Large Hall Theater, a Small Hall Theater, a Cabaret Theater, and complementary retail and office space. PAC intends to build the Large Hall as an initial phase, for which the City will issue general obligation (GO) bonds supported by an ad valorem car rental tax. Because of the GO bonds, the City will keep ownership of the Large Hall and lease to PAC. PAC may take title to the balance of the site for development of future phases when construction plans and financing are finalized. The City is committing \$5,603,000 towards on-site remediation and engineered controls for the Large Hall.

RECOMMENDATION:

Approval.

BACKUP DOCUMENTATION:

1. Agenda Memo
2. Amended and Restated Agreement to Design, Construct, and Lease a Performing Arts Center
3. Public Purpose/Impact Analysis
4. Site Map
5. Submitted at meeting hardcopy of PowerPoint diagrams/maps by Don Snyder

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Motion made by BRENDA J. WILLIAMS to Approve

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

BRENDA J. WILLIAMS, LOIS TARKANIAN, LARRY BROWN, OSCAR B. GOODMAN, GARY REESE, STEVE WOLFSON, STEVEN D. ROSS; (Against-None); (Abstain-None); (Did Not Vote-None); (Excused-None)

Minutes:

SCOTT ADAMS, Director of the Office of Business Development, remarked that this amended and restated agreement accomplishes a number of things; most importantly, it involves the relocation of the site from that originally committed to in the Old Related Companies Master Plan. However, the new site is more contaminated and will require remediation, the cost of which is included in the agreement. He then briefly went over the information under the Purpose/Background section. Staff recommends approval.

MYRON MARTIN, President, and DON SNYDER, Chairman, Las Vegas Performing Arts Center Foundation, were present. MR. SNYDER used a PowerPoint presentation to depict the site, and then gave a brief update on the status of the project. In 2001, when costs were being considered for the project, the projections came in much lower than they are today, which has prompted the need to build in phases. Phase I will include a large hall project, which will be equivalent to Carnegie Hall, to be completed by 2011, at an approximate cost of \$300 million. Given that the intent is to make the Center a community asset, a \$50 million operating endowment was committed to in 2001, and \$300 million will be in the endowment fund the day the doors open. A lot of this money will be derived from Rental Car Tax (RCT), as well as \$125 million in bonding capacity and \$90 million from existing verbal, private-sector commitments. In order to get to the bonding process stage, another \$20 million is needed, and then another \$60 million in order to break ground in October 2008.

Overall, great progress is being made, mostly due to the ability to phase the project. He did request permission to schedule an item on the Council agenda for a design status report.

At the request of the Mayor, MR. SNYDER indicated that, after a European tour, he determined that concert halls are the heart of the cities they visited. He anticipates that the Performing Arts Center will be timeless and elegant. The quality will not be sacrificed due to construction costs.

MR. MARTIN commended City staff for being a great partner and thanked MR. SNYDER for his invaluable time and efforts. MAYOR GOODMAN and MR. SNYDER discussed that he believes so much in the project that as a retirement gift Boyd Gaming gave \$1.5 million toward that \$20 million. This project will be one of many in his legacy.

COUNCILMAN BROWN asked DEPUTY CITY MANAGER FRETWELL if a comfort level has been reached in terms of the RCT being committed. MR. SNYDER answered that he has received very strong assurances from GOVERNOR GIBBONS, his wife and his chief of staff that this is an incredibly important project that will not sit on the drawing board.