



## AGENDA MEMO

**CITY COUNCIL MEETING DATE: JANUARY 22, 2014**

**DEPARTMENT: CITY MANAGER**

**ITEM DESCRIPTION: First Amendment to Exclusive Negotiation Agreement by and between City Parkway V, Inc., Office District Parking I, Inc. the City of Las Vegas, Nevada, and LV Entertainment Development, LLC**

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- This First Amendment to Exclusive Negotiation Agreement (Amendment) extends the exclusive negotiation rights for LV Entertainment Development, LLC (Developer and affiliate of the Cordish Companies) on Parcels D, E, F, O-1, and O-2 in Symphony Park (Site) for the development of an Arena and a Live District (Project) on the Site.
- Under the Amendment, the City Parkway V, Inc. (CPVI), Office District Parking I, Inc. (ODP) (collectively CPVI and ODP are collectively referred to as CPV), and the City of Las Vegas (the City) agree to extend the term for the Developer's exclusivity for the Project to June 1, 2014 (Extended Term).
- During the Extended Term, CPV, the City and Developer (the Parties) shall enter into negotiations for the execution of the Disposition and Development Agreement (DDA) between the Parties for the development, ownership, and operation of the Arena and Live District. In addition, the Parties agree that the DDA may address the development of a Casino Resort within the City of Las Vegas, but not on the Site.
- The City previously funded a \$2.4 million escrow account for the Developer's planning and development expenses relative to determining the feasibility of the Project (Planning Fund). The Planning Fund has a balance of \$1.2 million and Developer has agreed to use a maximum of \$300,000 of these funds during the Extended Term to pay for the following:
  - A report of a third party (consultant), acceptable to CPV, indicating that the Arena can be built within the projected costs identified in Exhibit A, which is capped at \$100,000;
  - An investment grade feasibility study that supports the financing for the Arena; and
  - An updated pro forma for the development, financing and operation of the Live District.
- The balance of the Planning Fund shall be paid (1) to the development of the Project if the Developer and the City reach agreement on the terms of a DDA; or (2) to the Developer if the ENA expires and the parties do not reach agreement on terms of a DDA.
- Developer and CPV agree and acknowledge that (i) the ENA and this Amendment create no obligation on any Party to enter into the DDA or any other agreement related or concerning the Site, the Project and/or a Casino Resort, (ii) the decision to enter into a DDA and/or a DDA or any other agreement among or between any of the Parties will be at each Party's respective sole and absolute discretion and (iii) the discretionary approval of the Las Vegas City Council will be required for CPV and/or the City to enter into any DDA, DDA or other agreement relating to the Site or the development of the Project.