

**AGENDA SUMMARY PAGE**  
**CITY COUNCIL MEETING OF: SEPTEMBER 15, 2004**

**DEPARTMENT: PUBLIC WORKS**

**DIRECTOR: RICHARD D. GOECKE**

☒ **CONSENT** ☐ **DISCUSSION**

**SUBJECT:**

Approval of the installation of Speed Humps on Wilmington Way between Richfield Boulevard and Wyandotte Street (\$7,800 - Neighborhood Traffic Management Program) - Ward 1 (Moncrief)

**Fiscal Impact**

☐

**No Impact**

**Amount: \$7,800**

☒

**Budget Funds Available**

**Dept./Division: Public Works/Traffic Eng.**

☐

**Augmentation Required**

**Funding Source: Neighborhood Traffic Management Program**

**PURPOSE/BACKGROUND:**

Residents on Wilmington Way between Richfield Boulevard and Wyandotte Street have requested the installation of speed humps on their street. Studies conducted on this roadway showed that the 85th percentile speed was 32 mph and the volume of traffic was 1,141 vehicles per day. Wilmington Way accumulated 50 points; a total of 40 points is necessary to meet the speed hump criteria. The street is not an emergency response route.

**RECOMMENDATION:**

Approval

**BACKUP DOCUMENTATION:**

Map

**MOTION:**

**REESE – APPROVED** Items 4-34, 36, 37, 39, 40, 42-54, and 56-72 – **UNANIMOUS** with **MACK** abstaining on Items 8 and 9 because they involve the Lady Luck Casino, with which his brother-in-law, Andrew Donner, has a contract related to its non-restricted gaming license

**Items 3, 35, 38 & 41:**

**APPROVED under separate actions** (see individual items)

**Item 55:**

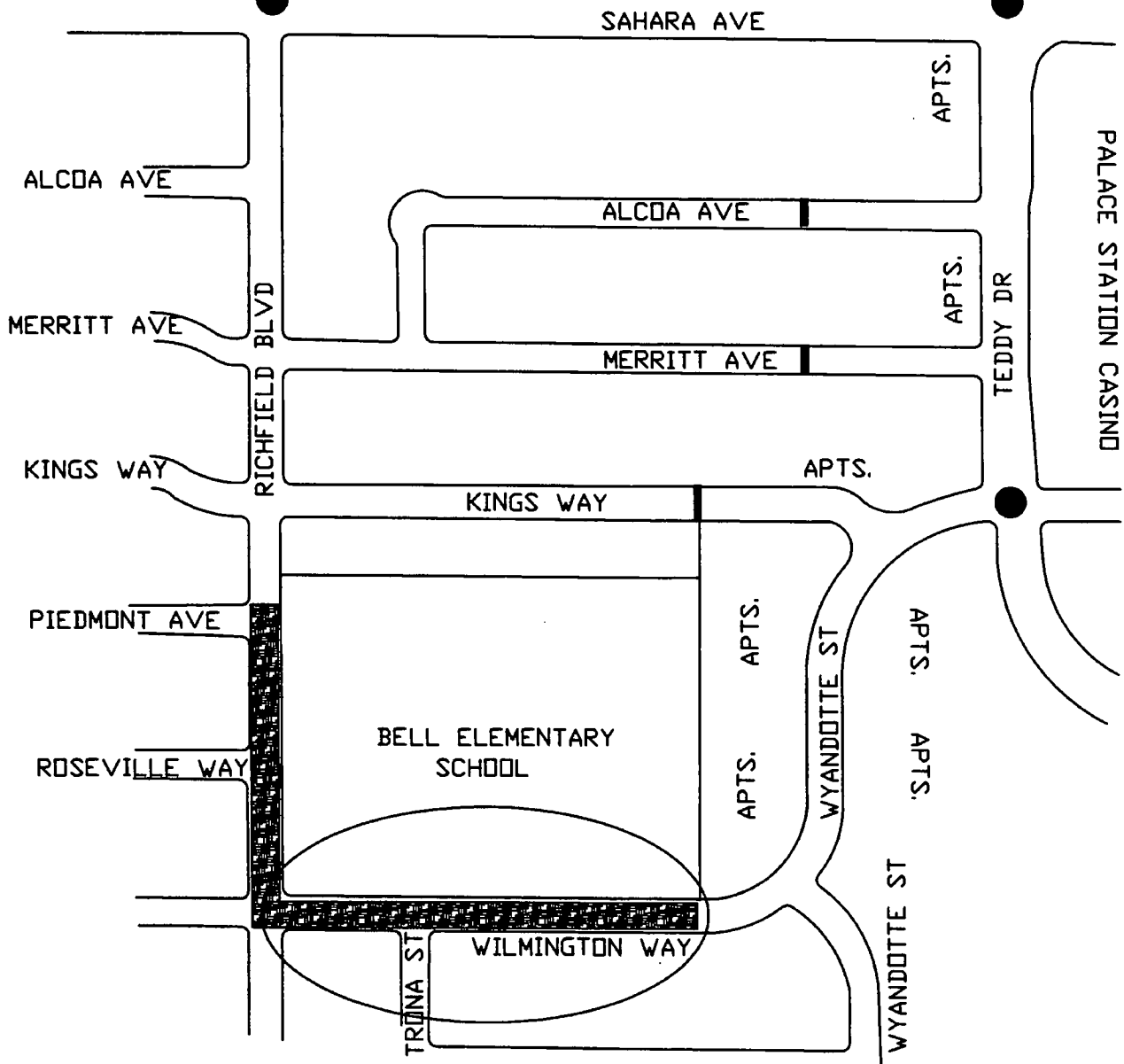
**ABEYANCE under separate action** (see individual item)

**MINUTES:**

There was no related discussion.

(9:31 – 9:38)

1-815



PROPOSED SPEED HUMP AREA



EXISTING ROAD CLOSURE



EXISTING TRAFFIC SIGNAL



EXISTING 15 MPH SCHOOL ZONE

**AGENDA SUMMARY PAGE**  
**CITY COUNCIL MEETING OF: SEPTEMBER 15, 2004**

**DEPARTMENT: PUBLIC WORKS**

**DIRECTOR: RICHARD D. GOECKE**

☒

**CONSENT**

☐

**DISCUSSION**

**SUBJECT:**

Approval of the installation of Speed Humps on Spencer Street between St. Louis Avenue and Oakey Boulevard (\$7,800 - Neighborhood Traffic Management Program) - Ward 3 (Reese)

**Fiscal Impact**

☐

**No Impact**

**Amount: \$7,800**

☒

**Budget Funds Available**

**Dept./Division: Public Works/Traffic Eng.**

☐

**Augmentation Required**

**Funding Source: Neighborhood Traffic Management Program**

**PURPOSE/BACKGROUND:**

Councilman Reese has requested the installation of speed humps on Spencer Street between St. Louis Avenue and Oakey Boulevard. Studies conducted on this roadway showed that the 85th percentile speed was 38 mph and the volume of traffic was 471 vehicles per day. Spencer Street accumulated 21 points; a total of 40 points is necessary to meet the speed hump criteria. Spencer Street is not an emergency response route.

**RECOMMENDATION:**

Staff: Denial

**BACKUP DOCUMENTATION:**

Map

**MOTION:**

**REESE – ABEYANCE to 10/6/2004 – UNANIMOUS**

**MINUTES:**

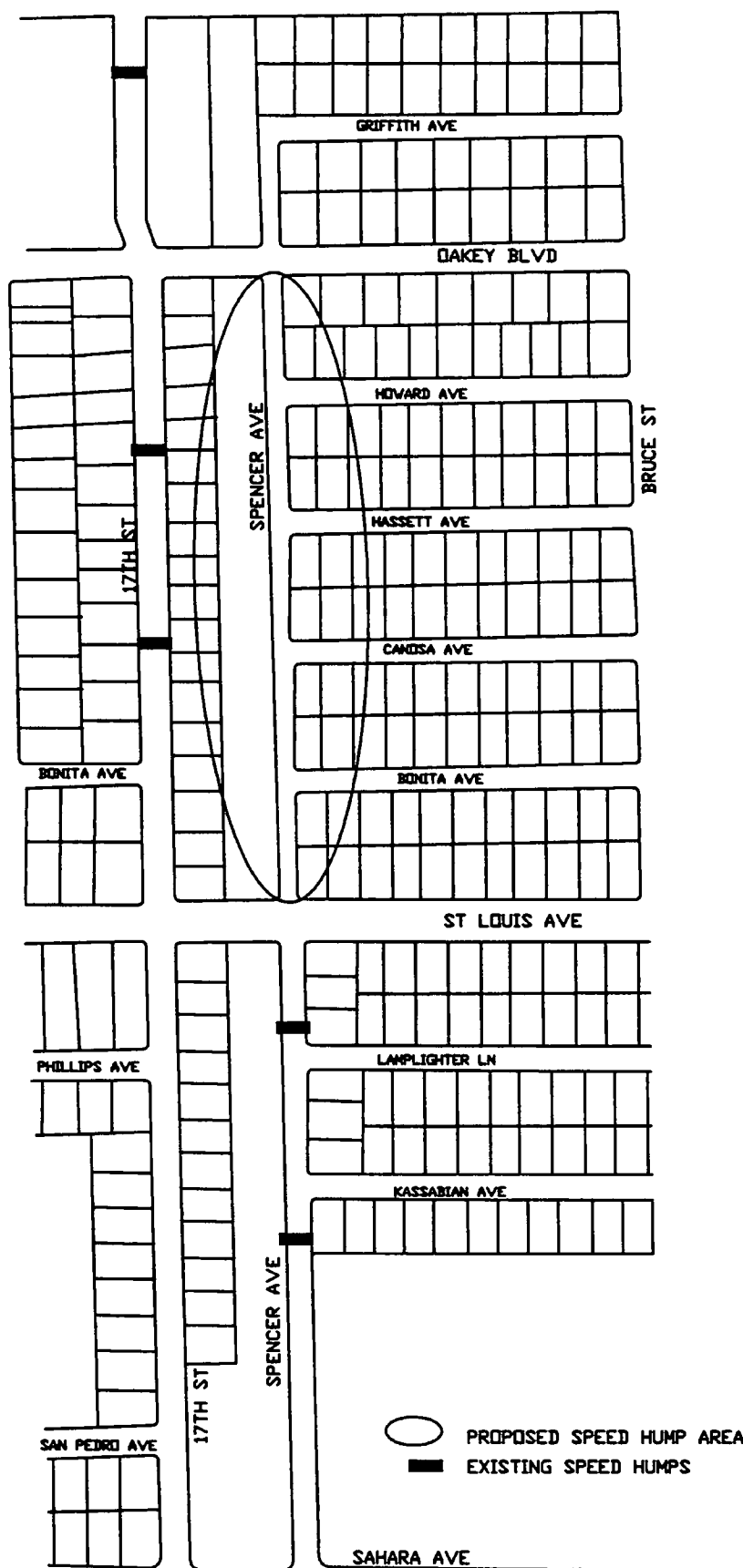
NOTE: A Verbatim Transcript is made a part of the Final Minutes.

**APPEARANCES:**

GARY REESE, Councilman  
RICHARD GOECKE, Director, Public Works  
OSCAR GOODMAN, Mayor  
BRAD JERBIC, City Attorney  
MICHAEL MACK, Councilman  
LARRY BROWN, Councilman  
STEVE WOLFSON, Councilman  
LAWRENCE WEEKLY, Councilman  
AL GALLEG0, Citizen

(9:46 – 9:55)

1-1356





**CITY COUNCIL MEETING OF**  
**September 15, 2004**

**VERBATIM TRANSCRIPT — ITEM 55**

**APPROVAL OF THE INSTALLATION OF SPEED HUMPS ON SPENCER STREET  
BETWEEN ST. LOUIS AVENUE AND OAKLEY BOULEVARD (\$7,800 –  
NEIGHBORHOOD TRAFFIC MANAGEMENT PROGRAM)**

**Appearance List:**

GARY REESE, Councilman

RICHARD GOECKE, Director, Public Works

OSCAR GOODMAN, Mayor

BRAD JERBIC, City Attorney

MICHAEL MACK, Councilman

LARRY BROWN, Councilman

STEVE WOLFSON, Councilman

LAWRENCE WEEKLY, Councilman

AL GALLEGGO, Citizen

(9:46 – 9:55)

**1-1356**

9 minutes

Typed by: Stacey Campbell

Proofed by: Angela Crolli

**CITY COUNCIL MEETING OF**  
**September 15, 2004**

**VERBATIM TRANSCRIPT — ITEM 55**

22 **COUNCILMAN REESE**

23 And our last item brought forward, Your Honor, is item number fifty-five, is approval and  
24 installation of speed humps on Spencer Street between St. Louis Avenue and Oakey Boulevard.  
25 This is a Neighborhood Traffic Management Program. This is in Ward 3. Mr. Goecke?

26

27 **RICHARD GOECKE**

28 Correct, we – did a speed hump warrant study and it accumulated twenty-one points where forty  
29 was necessary and therefore, that's the reason for the recommendation of denial.

30

31 **COUNCILMAN REESE**

32 See, on the – agenda item it says approval of the installation of the speed humps but the staff  
33 recommendation is for denial and so this, to me, is inaccurate. I brought this forward so that I  
34 could make a motion for approval of these speed humps. I went out there, I've talked to the  
35 neighbors. This is one of the drag racing areas in my Ward between St. Louis and Oakey. We  
36 have a lot of cars going down that road that are being tested by some of the car dealerships over  
37 on Sahara. So, I think it's very necessary that we protect out neighborhoods and so my motion is  
38 for approval of the speed humps at these locations.

39

40 **MAYOR GOODMAN**

41 Let's vote please.

42

43 **BRAD JERBIC**

44 Before the vote Your Honor, I regret that I have to do this from time to time, but I do need to  
45 make a record as your attorney that when warrants requirements are not met, it is illegal to install  
46 a traffic control device. That would be a stop sign, a stop light and in this case, it's speed humps.  
47 And so with that on the record, I need to advise you that it is not legal under warrants  
48 requirements to install these speed humps.

49

50 **COUNCILMAN REESE**

51 But we've done it before so my motion still stands.

**CITY COUNCIL MEETING OF**  
**September 15, 2004**

**VERBATIM TRANSCRIPT — ITEM 55**

52    **COUNCILMAN MACK**

53    Your Honor, or Mayor Pro Tem?

54

55    **MAYOR GOODMAN**

56    Yes.

57

58    **COUNCILMAN REESE**

59    Yes.

60

61    **COUNCILMAN MACK**

62    Not to put any roadblock in the speed hump but Brad, what you're stating, and we've had some  
63    situations in my ward as well, is there any – personal liability to the Council for voting against  
64    this type of recommendation?

65

66    **BRAD JERBIC**

67    Regrettably, there is. And, I – again, I've had to make this record a very few times in the past. I  
68    don't do it with any joy at all but, it is the law that speed humps or any other traffic control  
69    device that do not meet warrants would be illegal and potentially, personal liability for Council  
70    members who approve it.

71

72    **COUNCILMAN REESE**

73    Okay. But we've – voted on these speed humps before and this is the first time I've heard that  
74    declaration put on public record.

75

76    **COUNCILMAN BROWN**

77    Yeah, me too.

78

**CITY COUNCIL MEETING OF**  
**September 15, 2004**

**VERBATIM TRANSCRIPT — ITEM 55**

78 **COUNCILMAN REESE**

79 I say this is the first time I've heard this declaration put on public record. We have – approved  
80 probably seven or eight sets of speed humps in my Ward, that didn't meet warrants, already so  
81 why are we putting this on record today?

82

83 **BRAD JERBIC**

84 Your – Honor, Mr. Mayor Pro Tem, I – do recall and it might have been a – time prior to your  
85 being on the Council where I've had to put those on the record –

86

87 **COUNCILMAN REESE**

88 Well, that's, that was – nine years ago.

89

90 **BRAD JERBIC**

91 – it has not been very often. And it may also have been that they were on consent and not pulled  
92 off. I really don't have an explanation other than I've had to do it before, it's been very few  
93 times and I – regret that I have to do it but it is part of my job.

94

95 **COUNCILMAN REESE**

96 That's fine.

97

98 **MAYOR GOODMAN**

99 Mr. Jerbic, what kind of personal liability would be contemplated in this situation?

100

101 **BRAD JERBIC**

102 Typically, as Mr. Goecke will tell you, traffic control devices, not – so much speed humps but  
103 stop signs and stop lights, actually cause accidents. People rely on them and that's why you only  
104 install them when you meet a certain traffic count. When somebody runs a red light, somebody  
105 is obviously going on a green light, relying that somebody's going to stop at a red light. And, so,  
106 when there are accidents that occur as a result of traffic control devices that were installed in  
107 violation of warrants, the City has been named in those lawsuits in the past.

108 Page 4 of 11

**CITY COUNCIL MEETING OF**  
**September 15, 2004**

**VERBATIM TRANSCRIPT — ITEM 55**

108   **MAYOR GOODMAN**

109   Well, I'm having a hard time contemplating how a speed hump would cause a problem.

110

111   **BRAD JERBIC**

112   And I would agree, when you think of –

113

114   **MAYOR GOODMAN**

115   I mean, when I first was elected, I didn't – know the difference between a hump and a, what is it,  
116   a bump? And, the hump is more mellow and I just – find it hard to – envision how a mellow,  
117   speed hump would cause a problem where as I could find a problem with a speed bump, to be  
118   quite frank with you. So, I think I'll call a recess and think about this one. No, I'm just kidding.  
119   Councilman Wolfson.

120

121   **COUNCILMAN WOLFSON**

122   You know, I appreciate, Mayor, what you're saying but being new to the Council, I almost feel  
123   an obligation to say something. And, I mean this out of respect to Mayor Pro Tem Reese but it's  
124   difficult for me to vote for something that our City Attorney has just told us, number one, is  
125   potentially an illegal act and number two, would subject us to personal liability. So, I guess my  
126   – point here is that I've only been on the Council a couple of months, I don't know if we've been  
127   warned in the past before about this but, I feel uncomfortable voting for something based upon  
128   the advice of Mr. Jerbic.

129

130   **COUNCILMAN REESE**

131   Well, my advice then would be to vote no.

132

133   **MAYOR GOODMAN**

134   Well see, I have – a philosophy, this is a nice discussion on a consent item. I have a –  
135   philosophy very similar, with all due respect to Mr. Jerbic whose legal acumen I admire and rely  
136   upon on a daily basis, but I see this almost as a nullification situation. And, I believe in jury  
137   nullification myself whereas a jury is instructed by a judge to apply certain principles of law but

**CITY COUNCIL MEETING OF**  
**September 15, 2004**

**VERBATIM TRANSCRIPT — ITEM 55**

138 if they feel that there would be an inequitable result at the end of the day, thank goodness in our  
139 Country, they can vote their conscience. So, I see this as a nullification argument and I think  
140 what will do it now is Councilman Reese has moved to approve this and let's vote our  
141 conscience.

142

143 **COUNCILMAN BROWN**

144 Your Honor?

145

46 **MAYOR GOODMAN**

147 Councilman Brown?

148

149 **COUNCILMAN BROWN**

150 One of the things that the Mayor Pro Tem mentioned that I know that we've approved these  
151 throughout the City but if we're hearing for the first time that this is the first approval that does  
152 not meet warrants, is that the case?

153

154 **COUNCILMAN REESE**

155 No.

156

157 **RICHARD GOECKE**

158 No.

159

160 **COUNCILMAN BROWN**

161 But this is the first time the Attorney's put it on the record that –

162

163 **COUNCILMAN REESE**

164 Yes.

165

**CITY COUNCIL MEETING OF**  
**September 15, 2004**

**VERBATIM TRANSCRIPT — ITEM 55**

166   **MAYOR GOODMAN**

167   It's ordinarily on consent and rarely pulled, I think that's the difference. All right, let's vote  
168   please.

169

170   **COUNCILMAN MACK**

171   Your Honor? Your Honor?

172

173   **MAYOR GOODMAN**

74   Yes?

175

176   **COUNCILMAN MACK**

177   So, we've -- all voted illegally in the past is what, I guess what I'm hearing --

178

179   **COUNCILMAN WEEKLY**

180   No.

181

182   **COUNCILMAN MACK**

183   -- without disclosure.

184

185   **MAYOR GOODMAN**

186   Well, that could be, that doesn't bother me.

187

188   **COUNCILMAN WEEKLY**

189   We what?

190

191   **COUNCILMAN BROWN**

192   Your Honor, I don't have any problems with, Mayor Pro Tem knows the area better than  
193   anybody, but I would, I'd ask that we just maybe hold this for two weeks because we're getting  
194   two yeses, two noes, it might making the decision if it's, for the general welfare and the safety of  
195   the citizens but let's find out what we're doing first, we have three people disagreeing.

***CITY COUNCIL MEETING OF***  
**September 15, 2004**

**VERBATIM TRANSCRIPT — ITEM 55**

196  
197 **COUNCILMAN WEEKLY**  
198 I mean, Your Honor?  
199  
200 **MAYOR GOODMAN**  
201 Councilman?  
202  
203 **COUNCILMAN WEEKLY**  
04 Wow, an amazing conversation over a speed hump.  
205  
206 **COUNCILMAN WOLFSON**  
207 We thought Treasures was (inaudible).  
208  
209 **COUNCILMAN WEEKLY**  
210 I'm just, yeah, well, any rate. Somehow then, it seems like we need to maybe see if Public  
211 Works can maybe help us come up with some type of neighborhood, I don't know, other traffic  
212 calming devices. I mean we're having these problems all over the City and, I mean, as Mayor  
213 Pro Tem is explaining what is happening in his Ward, I agree with Councilman Brown, he knows  
214 his Ward better than the rest of us –  
215  
216 **COUNCILMAN REESE**  
217 (Inaudible) never done this before.  
218  
219 **COUNCILMAN WEEKLY**  
220 – and I voted – against traffic – commission before myself. The only time I ever consider it is  
221 when I'm thinking in terms of what Fire and Safety has to say but sometimes I even vote against  
222 them as well because I just believe that, you know, we have these drag racing sessions that are  
223 going on in these neighborhoods. And these neighborhoods are becoming very dangerous so,  
224 Reese, I'm with you, I support you.  
225



**CITY COUNCIL MEETING OF**  
**September 15, 2004**

**VERBATIM TRANSCRIPT — ITEM 55**

226 **COUNCILMAN REESE**

227 I appreciate that. My motion, Your Honor, would be to hold this in abeyance for two weeks.

228

229 **MAYOR GOODMAN**

230 All right, let's vote please. Post. **(Motion carried UNANIMOUSLY)**

231

232 **COUNCILMAN REESE**

233 Mr. Goecke before you leave though, the podium, I would like to ask you, how come you had  
34 approval of the installation of speed humps on Spencer Street on the consent calendar?

235

236 **RICHARD GOECKE**

237 I'm sorry?

238

239 **COUNCILMAN REESE**

240 It says approval, they didn't say denial, it says approval of installation of speed humps on  
241 Spencer Street.

242

243 **RICHARD GOECKE**

244 Well, that's, the recommendation is -- for denial and --

245

246 **COUNCILMAN REESE**

247 But what it says here, approval, why isn't there a recommendation for denial on there?

248

249 **RICHARD GOECKE**

250 I -- don't know that that, in my mind at least, it doesn't --

251

252 **COUNCILMAN REESE**

253 In my mind, I read this and it says --

254

255

**CITY COUNCIL MEETING OF**  
**September 15, 2004**

**VERBATIM TRANSCRIPT — ITEM 55**

256 **RICHARD GOECKE**

257 If – you approve the item and the rec, and the staff recommendation was being, was for denial, in  
258 my mind at least, you'd be approving the denial.

259

260 **COUNCILMAN REESE**

261 But, again though, if Mr. Gallegos reads this right here –

262

263 **AL GALLEGOS**

64 That's right.

265

266 **COUNCILMAN REESE**

267 – it says approval of speed humps. It doesn't say approval of denial.

268

269 **RICHARD GOECKE**

270 Maybe I need to get with the Clerk and find out if that's not, is – maybe I put it on  
271 inappropriately.

272

273 **AL GALLEGOS**

274 Yes. Excuse – me, Mayor? May I make a little remark?

275

276 **MAYOR GOODMAN**

277 We gotta move on, Mr. Gallegos.

278

279 **AL GALLEGOS**

280 Well, Al Gallegos, I just got a little remark, I want to remind Councilman Reese that on 6<sup>th</sup> Street  
281 between Charleston and Sahara, we have discussed it before so it's been on a discussion item  
282 other times. Thank you.

283

***CITY COUNCIL MEETING OF***  
**September 15, 2004**

**VERBATIM TRANSCRIPT — ITEM 55**

283    **MAYOR GOODMAN**

284    Thanks, Mr. Goecke.

285                                    **(END OF DISCUSSION)**

286    /sc;ac

**AGENDA SUMMARY PAGE**  
**CITY COUNCIL MEETING OF: SEPTEMBER 15, 2004**

**DEPARTMENT: PUBLIC WORKS**

**DIRECTOR: RICHARD D. GOECKE**

☒

**CONSENT**

☐

**DISCUSSION**

**SUBJECT:**

Approval of the installation of Speed Humps on Valley Drive between Coran Lane and Lake Mead Boulevard (\$10,400 - Neighborhood Traffic Management Program) - Ward 5 (Weekly)

**Fiscal Impact**

☐

**No Impact**

**Amount: \$10,400**

☒

**Budget Funds Available**

**Dept./Division: Public Works/Traffic Eng.**

☐

**Augmentation Required**

**Funding Source: Neighborhood Traffic Management Program**

**PURPOSE/BACKGROUND:**

Residents on Valley Drive between Coran Lane and Lake Mead Boulevard have requested the installation of speed humps of their street. Studies conducted on this roadway showed that the 85th percentile speed was 40 mph and the volume of traffic was 1,416 vehicles per day. Valley Drive accumulated 58 points; a total of 40 points is necessary to meet the speed hump criteria. Valley Drive is not an emergency response route.

**RECOMMENDATION:**

Traffic and Parking Commission: Approval  
Staff: Approval

**BACKUP DOCUMENTATION:**

Map

**MOTION:**

**REESE – APPROVED** Items 4-34, 36, 37, 39, 40, 42-54, and 56-72 – **UNANIMOUS** with **MACK** abstaining on Items 8 and 9 because they involve the Lady Luck Casino, with which his brother-in-law, Andrew Donner, has a contract related to its non-restricted gaming license

**Items 3, 35, 38 & 41:**

**APPROVED under separate actions** (see individual items)

**Item 55:**

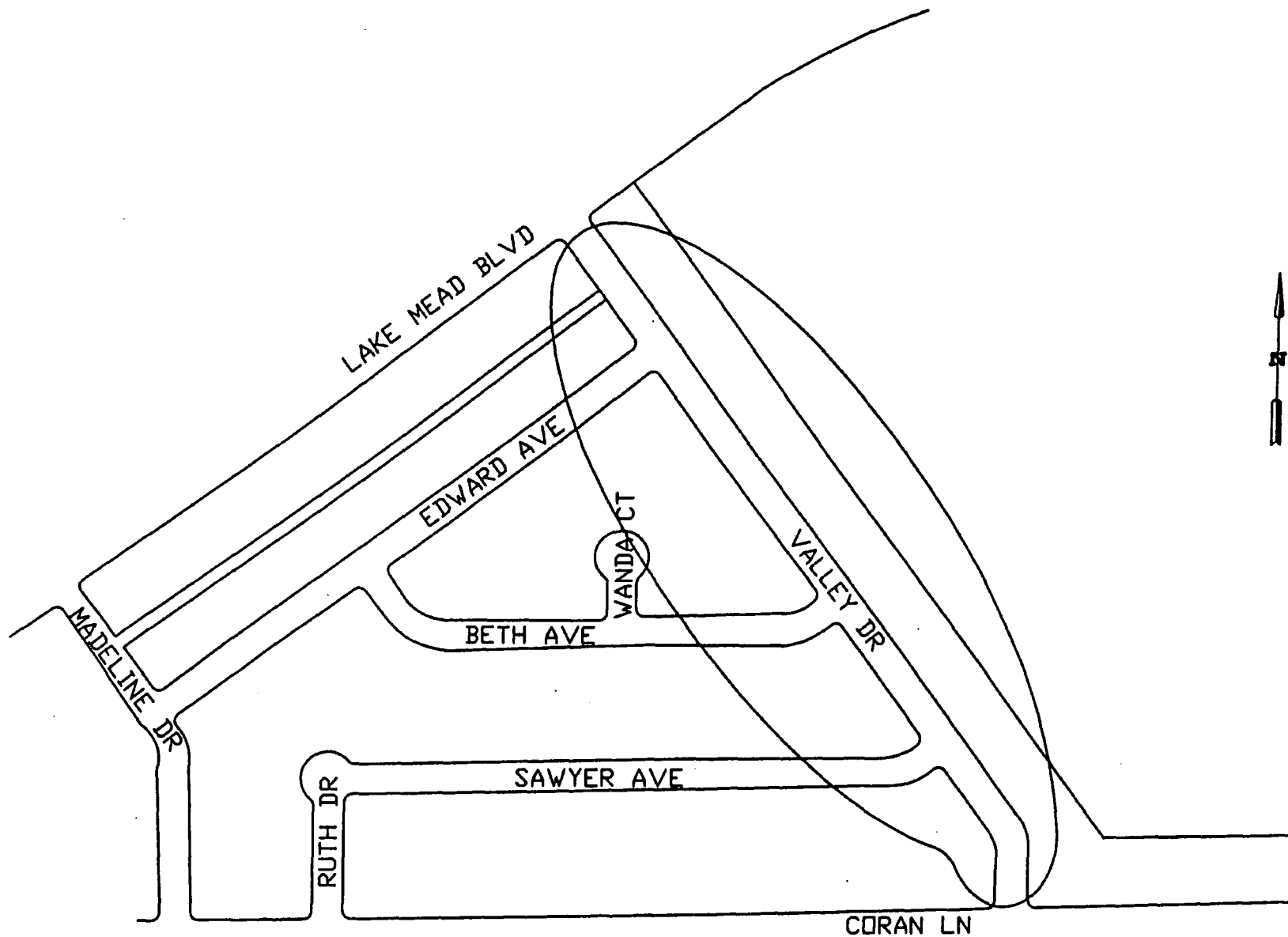
**ABEYANCE under separate action** (see individual item)

**MINUTES:**

There was no related discussion.

(9:31 – 9:38)

1-815



PROPOSED SPEED HUMP AREA

**AGENDA SUMMARY PAGE**  
**CITY COUNCIL MEETING OF: SEPTEMBER 15, 2004**

**DEPARTMENT: PUBLIC WORKS**

**DIRECTOR: RICHARD D. GOECKE**

☒ **CONSENT** ☐ **DISCUSSION**

**SUBJECT:**

Approval of the installation of Speed Humps on Jo Marcy Drive between Tule Springs Road and Cimarron Road (\$10,400 - Neighborhood Traffic Management Program) - Ward 6 (Mack)

**Fiscal Impact**

☐ **No Impact**  
☒ **Budget Funds Available**  
☐ **Augmentation Required**

**Amount: \$10,400**

**Dept./Division: Public Works/Traffic Eng.**

**Funding Source: Neighborhood Traffic Management Program**

**PURPOSE/BACKGROUND:**

Residents on Jo Marcy Drive between Tule Springs Road and Cimarron Road have requested the installation of speed humps on their street. Studies conducted on this roadway showed that the 85th percentile speed was 41 mph and the volume of traffic was 802 vehicles per day. Jo Marcy Drive accumulated 61 points; a total of 40 points is necessary to meet the speed hump criteria. The street is not an emergency response route.

**RECOMMENDATION:**

Traffic and Parking Commission: Approval  
Staff: Approval

**BACKUP DOCUMENTATION:**

Map

**MOTION:**

**REESE – APPROVED** Items 4-34, 36, 37, 39, 40, 42-54, and 56-72 – **UNANIMOUS** with **MACK** abstaining on Items 8 and 9 because they involve the Lady Luck Casino, with which his brother-in-law, Andrew Donner, has a contract related to its non-restricted gaming license

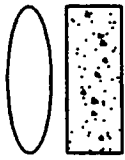
**Items 3, 35, 38 & 41: APPROVED** under separate actions (see individual items)  
**Item 55: ABEYANCE** under separate action (see individual item)

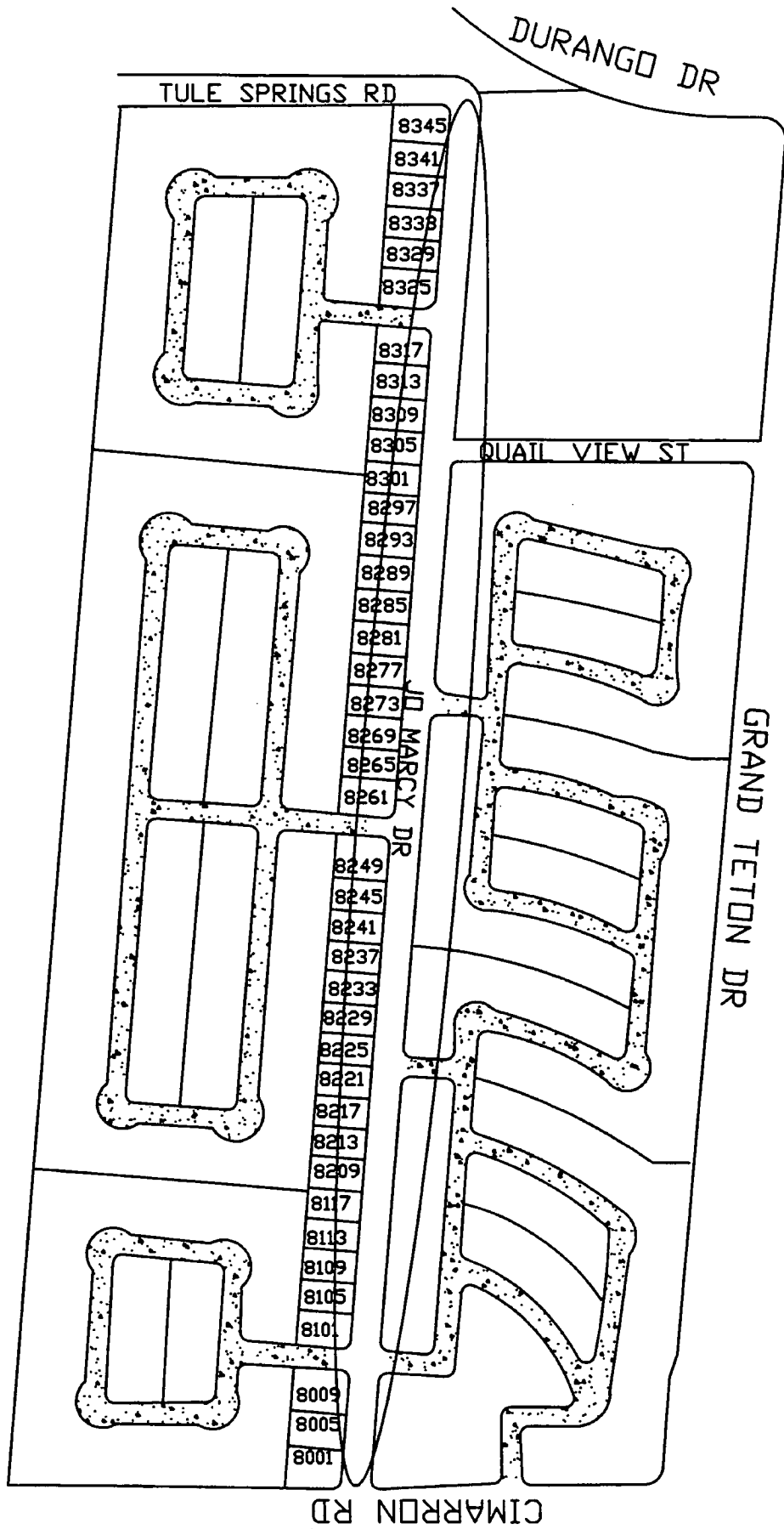
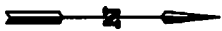
**MINUTES:**

There was no related discussion.

(9:31 – 9:38)

1-815


  
 PRIVATE ROAD
   
 PROPOSED SPEED HUMP AREA



**AGENDA SUMMARY PAGE**  
**CITY COUNCIL MEETING OF: SEPTEMBER 15, 2004**

**DEPARTMENT: PUBLIC WORKS**

**DIRECTOR: RICHARD D. GOECKE**

☒

**CONSENT**

☐

**DISCUSSION**

**SUBJECT:**

Approval of Amendment No. 2 to Highway Agreement No. P624-03-063 with the Nevada Department of Transportation to design and construct road improvements at the Charleston Boulevard/Valley View Boulevard intersection utilizing Federal Safety Funds and Nevada Department of Transportation Funds - Ward 1 (Moncrief)

**Fiscal Impact**

☒

**No Impact**

**Amount:**

☐

**Budget Funds Available**

**Dept./Division: Public Works/City Engineer**

☐

**Augmentation Required**

**Funding Source:**

**PURPOSE/BACKGROUND:**

This amendment is necessary to extend the agreement expiration date from December 31, 2004 to December 31, 2005.

**RECOMMENDATION:**

Approval

**BACKUP DOCUMENTATION:**

Amendment No. 2

**MOTION:**

**REESE – APPROVED** Items 4-34, 36, 37, 39, 40, 42-54, and 56-72 – **UNANIMOUS** with **MACK** abstaining on Items 8 and 9 because they involve the Lady Luck Casino, with which his brother-in-law, Andrew Donner, has a contract related to its non-restricted gaming license

**Items 3, 35, 38 & 41:**

**APPROVED** under separate actions (see individual items)

**Item 55:**

**ABEYANCE** under separate action (see individual item)

**MINUTES:**

There was no related discussion.

(9:31 – 9:38)

1-815



Amendment No. 2 to  
Highway Agreement No. P624-03-063

This Amendment is made and entered into this 15 day of Sept, 2004, between the State of Nevada, Department of Transportation, hereinafter referred to as the DEPARTMENT, and City of Las Vegas, 400 East Stewart Street, Las Vegas, NV 89101, hereinafter referred to as the CITY.

WITNESSETH:

WHEREAS, on May 27, 2003 the parties entered into Agreement No. P624-03-063 to delegate authority to the CITY to design, advertise, award, and manage construction of improvements to the intersection of Charleston Boulevard and Valley View; and on December 31, 2003, the parties entered into Amendment No. 1 to the agreement to extend the termination date; and

WHEREAS, the termination date is amended due to delays in the project schedule.

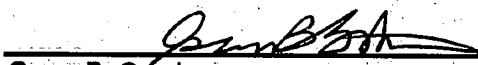
WHEREAS, the parties hereto desire to make certain amendments to Agreement No. P624-03-063.

NOW, THEREFORE, the parties agree as follows:

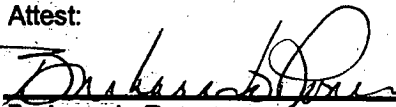
- A. The date referenced in Article III, Paragraph 1, as previously amended by Amendment No. 1, shall be changed from December 31, 2004 to December 31, 2005.
- B. All of the other provisions of Agreement No. P624-03-063, and Amendment No. 1 dated December 31, 2003 shall remain in full force and effect as if set forth herein.

IN WITNESS WHEREOF, the above named parties have hereunto set their hands and executed this Amendment the date first written above.

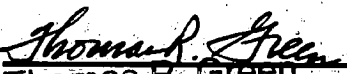
CITY OF LAS VEGAS

  
Oscar B. Goodman  
Mayor

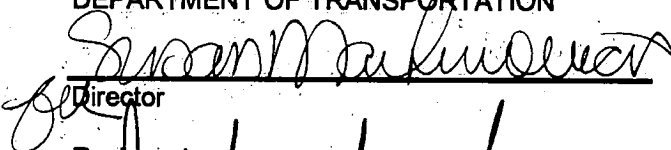
Attest:

  
Barbara Jo Ronemus  
City Clerk

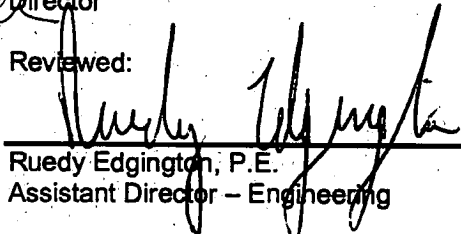
Approved as to Form:

 8/19/04  
Thomas R. Green  
Deputy City Attorney

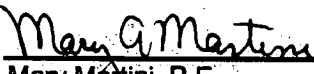
State of Nevada, acting by and through its  
DEPARTMENT OF TRANSPORTATION

  
Director

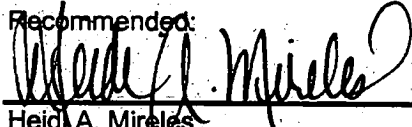
Reviewed:

  
Rudy Edgington, P.E.  
Assistant Director - Engineering

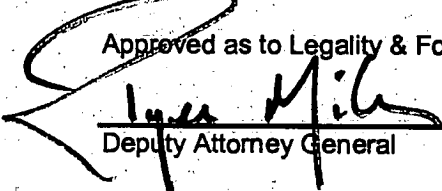
Recommended:

  
Mary Martini, P.E.  
District Engineer

Recommended:

  
Heidi A. Mireles  
Chief Right-of-Way Agent

Approved as to Legality & Form:

  
Deputy Attorney General

**AGENDA SUMMARY PAGE**  
**CITY COUNCIL MEETING OF: SEPTEMBER 15, 2004**

**DEPARTMENT: PUBLIC WORKS**

**DIRECTOR: RICHARD D. GOECKE**

☒ **CONSENT** ☐ **DISCUSSION**

**SUBJECT:**

Approval of Bill of Sale No.107811 to the Las Vegas Valley Water District (LVVWD) for transfer of ownership of water distribution facilities installed in conjunction with the Rainbow Boulevard Improvements - Northern Section, Rancho Road to Ann Road - Ward 6 (Mack)

**Fiscal Impact**

☒ **No Impact**  
☐ **Budget Funds Available**  
☐ **Augmentation Required**

**Amount:**

**Dept./Division:** Public Works/City Engineer

**Funding Source:**

**PURPOSE/BACKGROUND:**

The City desires to transfer ownership of water distribution facilities to the LVVWD. These facilities were installed in conjunction with the Rainbow Boulevard SID No.1486, Rancho Road to Ann Road.

**RECOMMENDATION:**

Approval

**BACKUP DOCUMENTATION:**

Bill of Sale

**MOTION:**

**REESE – APPROVED** Items 4-34, 36, 37, 39, 40, 42-54, and 56-72 – **UNANIMOUS** with **MACK** abstaining on Items 8 and 9 because they involve the Lady Luck Casino, with which his brother-in-law, Andrew Donner, has a contract related to its non-restricted gaming license

**Items 3, 35, 38 & 41: APPROVED under separate actions** (see individual items)

**Item 55: ABEYANCE under separate action** (see individual item)

**MINUTES:**

There was no related discussion.

(9:31 – 9:38)

1-815

## BILL OF SALE

### **Rainbow Boulevard Improvements - Northern Section, Rancho Road to Ann Road - 107811**

FOR VALUE RECEIVED, City of Las Vegas does hereby sell, assign, transfer, and set over unto the LAS VEGAS VALLEY WATER DISTRICT, a quasi-municipal corporation, all its right, title, and interest, in and to those certain facilities, together with all valves, fittings, valve boxes, and service lines connected with said facilities, constructed pursuant to that certain Agreement dated March 12, 2002, identified as No. 107811 between City of Las Vegas and the Las Vegas Valley Water District.

That said City of Las Vegas warrants that it is the owner of said facilities and connection valves, fittings, valve boxes, and service lines, and that same are free and clear of all encumbrances, including all material and labor claims attaching thereto, and that it will at all times hereafter defend the title to the same against any and all persons lawfully claiming or to claim the same.

IN WITNESS WHEREOF, City of Las Vegas has caused this Bill of Sale to be executed this 15 day of September, 2004.

ATTEST:

CITY OF LAS VEGAS

  
BARBARA JO RONEMUS  
City Clerk

  
OSCAR B. GOODMAN  
Mayor

APPROVED AS TO FORM:

  
City Attorney - DEPUTY

**AGENDA SUMMARY PAGE**  
**CITY COUNCIL MEETING OF: SEPTEMBER 15, 2004**

**DEPARTMENT: PUBLIC WORKS**

**DIRECTOR: RICHARD D. GOECKE**

☒ **CONSENT** ☐ **DISCUSSION**

**SUBJECT:**

Approval of Bill of Sale No.107046 to the Las Vegas Valley Water District (LVVWD) for transfer of ownership of water distribution facilities installed in conjunction with Special Improvement District No.1478 - Vegas Drive/Owens Avenue, Rancho Drive to Interstate 15 - Ward 5. (Weekly)

**Fiscal Impact**

|                                                        |                                                   |
|--------------------------------------------------------|---------------------------------------------------|
| <input checked="" type="checkbox"/> <b>No Impact</b>   | <b>Amount:</b>                                    |
| <input type="checkbox"/> <b>Budget Funds Available</b> | <b>Dept./Division:</b> Public Works/City Engineer |
| <input type="checkbox"/> <b>Augmentation Required</b>  | <b>Funding Source:</b>                            |

**PURPOSE/BACKGROUND:**

The City desires to transfer ownership of water distribution facilities to the Las Vegas Valley Water District. These facilities were installed in conjunction with the Vegas Drive/Owens Avenue, Rancho Drive to Interstate 15 project.

**RECOMMENDATION:**

Approval

**BACKUP DOCUMENTATION:**

Bill of Sale

**MOTION:**

**REESE – APPROVED** Items 4-34, 36, 37, 39, 40, 42-54, and 56-72 – **UNANIMOUS** with **MACK** abstaining on Items 8 and 9 because they involve the Lady Luck Casino, with which his brother-in-law, Andrew Donner, has a contract related to its non-restricted gaming license

Items 3, 35, 38 & 41: **APPROVED** under separate actions (see individual items)

Item 55: **ABEYANCE** under separate action (see individual item)

**MINUTES:**

There was no related discussion.

(9:31 – 9:38)

1-815

## BILL OF SALE

**SID No. 1478 - Vegas Drive/Owens Avenue, Rancho Drive to Interstate 15 - 107046**

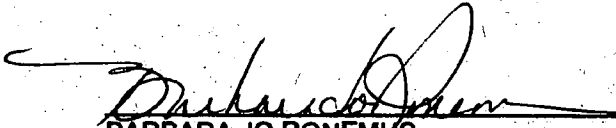
FOR VALUE RECEIVED, City of Las Vegas does hereby sell, assign, transfer, and set over unto the LAS VEGAS VALLEY WATER DISTRICT, a quasi-municipal corporation, all its right, title, and interest, in and to those certain facilities, together with all valves, fittings, valve boxes, and service lines connected with said facilities, constructed pursuant to that certain Agreement dated January 8, 2003, identified as No. 107046 between City of Las Vegas and the Las Vegas Valley Water District.

That said City of Las Vegas warrants that it is the owner of said facilities and connection valves, fittings, valve boxes, and service lines, and that same are free and clear of all encumbrances, including all material and labor claims attaching thereto, and that it will at all times hereafter defend the title to the same against any and all persons lawfully claiming or to claim the same.

IN WITNESS WHEREOF, City of Las Vegas has caused this Bill of Sale to be executed this 15 day of September, 2004.

ATTEST:

CITY OF LAS VEGAS

  
BARBARA JO RONEMUS  
City Clerk

  
OSCAR B. GOODMAN  
Mayor

APPROVED AS TO FORM:

Robert J. Sylvain 8-23-04  
City Attorney

**AGENDA SUMMARY PAGE**  
**CITY COUNCIL MEETING OF: SEPTEMBER 15, 2004**

**DEPARTMENT: PUBLIC WORKS**

**DIRECTOR: RICHARD D. GOECKE**

☒ **CONSENT** ☐ **DISCUSSION**

**SUBJECT:**

Approval of a Dedication from the City of Las Vegas, for a portion of the Southeast Quarter of Section 27, Township 20 South, Range 61 East, Mount Diablo Meridian, for rights-of-way located along Veterans Memorial Drive between Washington Avenue and Bonanza Road and Sycamore Lane between Biltmore Drive and Veterans Memorial Drive, APNs 139-27-708-011, 010, 013 and 899-019 - Ward 5 (Weekly)

**Fiscal Impact**

☒ **No Impact**  
☐ **Budget Funds Available**  
☐ **Augmentation Required**

**Amount:**

**Dept./Division:** Public Works/City Engineer

**Funding Source:**

**PURPOSE/BACKGROUND:**

**RECOMMENDATION:**

Approval

**BACKUP DOCUMENTATION:**

None

**MOTION:**

**REESE – APPROVED** Items 4-34, 36, 37, 39, 40, 42-54, and 56-72 – **UNANIMOUS** with **MACK** abstaining on Items 8 and 9 because they involve the Lady Luck Casino, with which his brother-in-law, Andrew Donner, has a contract related to its non-restricted gaming license

**Items 3, 35, 38 & 41: APPROVED** under separate actions (see individual items)  
**Item 55: ABEYANCE** under separate action (see individual item)

**MINUTES:**

There was no related discussion.

(9:31 – 9:38)

1-815

**AGENDA SUMMARY PAGE**  
**CITY COUNCIL MEETING OF: SEPTEMBER 15, 2004**

**DEPARTMENT: PUBLIC WORKS**

**DIRECTOR: RICHARD D. GOECKE**

☒

**CONSENT**

☐

**DISCUSSION**

**SUBJECT:**

Approval of Amendment No. 1 to Highway Agreement No. P860-03-063 with the Nevada Department of Transportation to design and construct road improvements at the intersection of Charleston Boulevard and Rampart Boulevard/Fort Apache Road - Ward 2 (Wolfson)

**Fiscal Impact**

☒

**No Impact**

**Amount:**

☐

**Budget Funds Available**

**Dept./Division: Public Works/City Engineer**

☐

**Augmentation Required**

**Funding Source:**

**PURPOSE/BACKGROUND:**

This amendment is necessary to extend the agreement expiration date from December 31, 2004 to December 31, 2005.

**RECOMMENDATION:**

Approval

**BACKUP DOCUMENTATION:**

Amendment No. 1

**MOTION:**

**REESE – APPROVED** Items 4-34, 36, 37, 39, 40, 42-54, and 56-72 – **UNANIMOUS** with **MACK** abstaining on Items 8 and 9 because they involve the Lady Luck Casino, with which his brother-in-law, Andrew Donner, has a contract related to its non-restricted gaming license

**Items 3, 35, 38 & 41:**

**APPROVED** under separate actions (see individual items)

**Item 55:**

**ABEYANCE** under separate action (see individual item)

**MINUTES:**

There was no related discussion.

(9:31 – 9:38)

1-815

Amendment No. 1 to  
Highway Agreement No. P860-03-063

This Amendment is made and entered into this 15 day of Sept, 2004, between the State of Nevada, Department of Transportation, hereinafter referred to as the DEPARTMENT, and City of Las Vegas, 400 East Stewart Street, Las Vegas, NV 89101, hereinafter referred to as the CITY.

WITNESSETH:

WHEREAS, on November 24, 2003 the parties entered into Agreement No. P860-03-063 to delegate authority to the CITY to design, advertise, award, and manage construction of improvements to the intersection of Charleston Boulevard and Rampart/Fort Apache; and

WHEREAS, the termination date is amended due to delays in the project schedule.

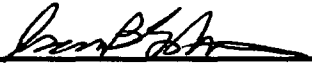
WHEREAS, the parties hereto desire to make certain amendments to Agreement No. P860-03-063.

NOW, THEREFORE, the parties agree as follows:

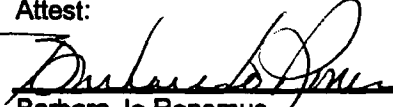
- A. The date referenced in Article III, Paragraph 1, shall be changed from December 31, 2004 to December 31, 2005.
- B. All of the other provisions of Agreement No. P860-03-063 shall remain in full force and effect as if set forth herein.

IN WITNESS WHEREOF, the above named parties have hereunto set their hands and executed this Amendment the date first written above.

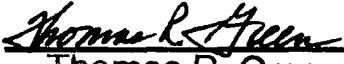
CITY OF LAS VEGAS

  
Oscar B. Goodman  
Mayor

Attest:

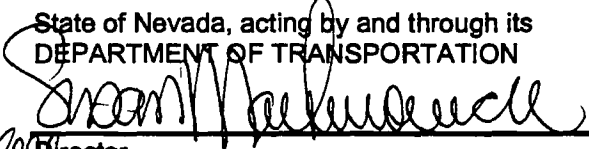
  
Barbara Jo Ronemus  
City Clerk

Approved as to Form:

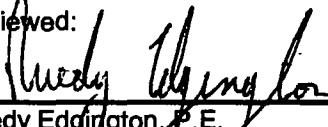
  
Thomas R. Green  
Deputy City Attorney

8/26/04

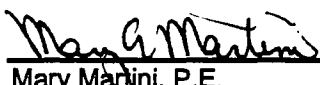
State of Nevada, acting by and through its  
DEPARTMENT OF TRANSPORTATION

  
Director

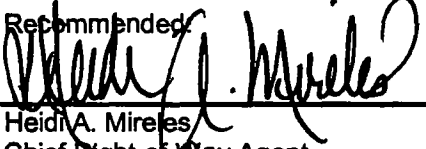
Reviewed:

  
Ruedy Edgington, P.E.  
Assistant Director - Engineering

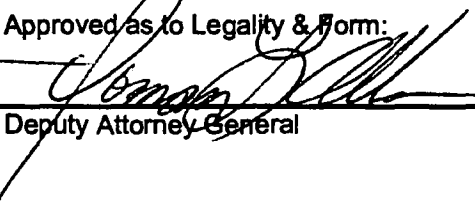
Recommended:

  
Mary Martini, P.E.  
District Engineer

Recommended:

  
Heidi A. Mireles  
Chief Right-of-Way Agent

Approved as to Legality & Form:

  
Deputy Attorney General



**AGENDA SUMMARY PAGE**  
**CITY COUNCIL MEETING OF: SEPTEMBER 15, 2004**

**DEPARTMENT: CITY ATTORNEY**

**DIRECTOR: BRADFORD R. JERBIC**

☒

**CONSENT**

☐

**DISCUSSION**

**SUBJECT:**

**RESOLUTIONS:**

**R-147-2004** - Approval of a Resolution Awarding Bid for Special Improvement District No. 1503 - Durango Drive Phase IV (Tropical Parkway to Clark County Highway 215) (\$246,727 - Capital Projects Fund/Special Assessments) - Ward 6 (Mack)

**Fiscal Impact**

☐

**No Impact**

**Amount: \$246,727**

☒

**Budget Funds Available**

**Dept./Division: Public Works/SID**

☐

**Augmentation Required**

**Funding Source: Capital Projects Fund/Special Assessments**

**PURPOSE/BACKGROUND:**

Installation of pavement, curb, gutter, sidewalk, commercial driveways and streetlights.

**RECOMMENDATION:**

It is recommended that the City Council adopt this Resolution.

**BACKUP DOCUMENTATION:**

Resolution No. R-147-2004

**MOTION:**

**REESE – APPROVED** Items 4-34, 36, 37, 39, 40, 42-54, and 56-72 – **UNANIMOUS** with **MACK** abstaining on Items 8 and 9 because they involve the Lady Luck Casino, with which his brother-in-law, Andrew Donner, has a contract related to its non-restricted gaming license

**Items 3, 35, 38 & 41:**

**APPROVED** under separate actions (see individual items)

**Item 55:**

**ABEYANCE** under separate action (see individual item)

**MINUTES:**

There was no related discussion.

(9:31 – 9:38)

1-815

RESOLUTION NO. R-147-2004

A RESOLUTION CONCERNING LAS VEGAS, NEVADA, SPECIAL IMPROVEMENT DISTRICT NO. 1503 – DURANGO DRIVE PHASE IV (TROPICAL PARKWAY TO CLARK COUNTY HIGHWAY 215); AWARDING THE CONTRACT FOR THE CONSTRUCTION OF THE PUBLIC IMPROVEMENTS IN THE DISTRICT TO THE RESPONSIBLE BIDDER SUBMITTING THE LOWEST AND BEST BID UPON PROPER TERMS; AND PROVIDING THE EFFECTIVE DATE HEREOF.

Summary: Bid Resolution

WHEREAS, the City Council of the City of Las Vegas (hereinafter the "City Council" and "City", respectively) of the County of Clark and State of Nevada, pursuant to the Special Improvement District No. 1503 Creation Ordinance (hereinafter the "Creation Ordinance") created Las Vegas, Nevada, Special Improvement District No. 1503 – Durango Drive Phase IV (Tropical Parkway to Clark County Highway 215) (hereinafter the "District") and ordered the acquisition of public improvements within such District in the City; and

WHEREAS, a proper notice that sets forth the invitation to submit bids for the furnishing of labor, materials, transportation and services was given by Las Vegas, Nevada, Special Improvement District No. 1503 Provisional Order Resolution in the manner and for the periods that are provided for in Section 271.190 and Section 271.335 of the Nevada Revised Statutes ("NRS" herein); and

WHEREAS, upon the receipt of such bids, the City Engineer and the Engineering Integration Division recommended to the City Council, in writing, the name of the successful bidder; and

WHEREAS, upon having received such written recommendation, the City Council now desires to authorize and award the construction contract, by this Resolution, to the responsible bidder submitting the lowest and best bid upon proper terms; and

WHEREAS, the amount of the best bid for such construction contract for the improvements does not exceed the City Engineer's estimates of cost.

NOW, THEREFORE, BE IT RESOLVED BY THE LAS VEGAS CITY COUNCIL, IN THE STATE OF NEVADA:

Section 1. The City Council determines and hereby declares that the bid for the construction of the improvements of Special Improvement District No. 1503 – Durango Drive Phase IV (Tropical Parkway to Clark County Highway 215) submitted by Tab Contractors, Inc., of Las Vegas, Nevada (hereinafter the "Contractor"), is the lowest and best bid, determined in the manner required by law, submitted by a responsible bidder and the same is hereby accepted.

Section 2. The Mayor of the City Council and the City Clerk, on behalf of Las Vegas, Nevada, be, and they hereby are, authorized in accordance with NRS 271.335 to execute a contract with the Contractor for a construction project which includes, in part, the construction of the improvements in Las Vegas, Nevada, Special Improvement District No. 1503 – Durango Drive Phase IV (Tropical Parkway to Clark County Highway 215).

Section 3. All actions, proceedings, matters and things heretofore taken, had and done by the City, and the officers thereof (not inconsistent with the provisions of this Resolution), concerning the District, including, but not limited to, the publication by the City Engineer, on behalf of the City, of the notice to bidders, the acquisition of the improvements, and the levy of assessments for that purpose, be, and the same hereby are, ratified, approved and confirmed.

Section 4. The Officers of the City be, and they hereby are, authorized and directed to take all action necessary or appropriate to effectuate the provisions of this Resolution, including, without limiting the generality of the foregoing, the preparation of all further necessary contract documents, legal proceedings, and other items necessary or desirable for the construction project and for the completion of the District.

Section 5. All resolutions, or parts thereof, in conflict with the provisions of this Resolution, are hereby repealed to the extent only of such inconsistency. This repealer shall not be construed to revive any resolution, or part thereof, heretofore repealed.

Section 6. If any section, paragraph, clause or other provision of this Resolution shall for any reason be held invalid or unenforceable, the invalidity or unenforceability of such section, paragraph, clause or other provision shall not affect any of the remaining provisions of this Resolution.

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Section 7. That the City Council has determined, and does hereby declare, that this Resolution shall be in effect after its passage in accordance with law.

PASSED, APPROVED AND ADOPTED, September 15, 2004.

  
\_\_\_\_\_  
OSCAR B. GOODMAN, Mayor

Attest:

  
\_\_\_\_\_  
BARBARA JO RONEMUS, City Clerk

Approved as to form:

9-1-04   
\_\_\_\_\_  
Date Deputy City Attorney

STATE OF NEVADA            )  
                                      )  
COUNTY OF CLARK         ) ss  
                                      )  
CITY OF LAS VEGAS        )

I, Barbara Jo Ronemus, the duly chosen and qualified City Clerk of the City of Las Vegas (hereinafter the "City"), in the State of Nevada, do hereby certify:

1. The foregoing pages constitute a true, correct, complete and compared copy of a resolution adopted by the City Council of the City (hereinafter the "City Council") at a meeting held on September 15, 2004.

2. The adoption of the resolution was duly moved and seconded and the resolution was adopted by an affirmative vote of a majority of the members of City Council as follows:

|                   |                                                                                                                     |
|-------------------|---------------------------------------------------------------------------------------------------------------------|
| Those Voting Aye: | Oscar B. Goodman<br>Gary Reese<br>Larry Brown<br>Lawrence Weekly<br>Michael Mack<br>Janet Moncrief<br>Steve Wolfson |
|-------------------|---------------------------------------------------------------------------------------------------------------------|

|                   |      |
|-------------------|------|
| Those Voting Nay: | NONE |
|-------------------|------|

|               |      |
|---------------|------|
| Those Absent: | NONE |
|---------------|------|

3. The original of the resolution has been approved and authenticated by the signatures of the Mayor of the City and myself as City Clerk and has been recorded in the regular official record of the City Council kept for that purpose in my office, which record has been duly signed by the officers and properly sealed.

4. All members of the City Council were given due and proper notice of the meeting. Pursuant to § 241.020, Nevada Revised Statutes, written notice of the meeting was given not later than 9:00 a.m. on the third working day before the meeting, including in the notice the time, place, location, and agenda of the meeting:

(a) By posting a copy of the notice at least three working days before the meeting at the principal office of the City Council, or if there is no principal

office, at the building in which the meeting is to be held, and at least three (3) other separate, prominent places within the jurisdiction of the City Council, to wit:

- (i) City Clerk's Bulletin Board  
City Hall Plaza  
2<sup>nd</sup> Floor Skybridge  
Las Vegas Nevada
- (ii) Court Clerk's Office Bulletin Board  
City Hall Plaza  
Las Vegas, Nevada
- (iii) Las Vegas Library  
833 Las Vegas Boulevard North  
Las Vegas, Nevada
- (iv) Clark County Government Center  
500 South Grand Central Parkway  
Las Vegas, Nevada
- (v) Grant Sawyer Building  
555 E. Washington Avenue  
Las Vegas, Nevada

(b) By mailing a copy of the notice to each person, if any, who has requested notice of the meetings of the City Council in the same manner in which notice is required to be mailed to a member of the City Council. Such notice was delivered to the postal service no later than 9:00 a.m. on the third working day prior to the meeting.

5. Upon request, the City Council provides at no charge, at least one copy of the agenda for its public meetings, any proposed ordinance or regulation which will be discussed at the public meeting, and any other supporting materials provided to the City Council for an item on the agenda, except for certain confidential materials and materials pertaining to closed meetings, as provided by law.

6. A copy of such notice so given of the meeting of the City Council on September 15, 2004, is attached to this certificate as Exhibit "A".

IN WITNESS WHEREOF, I have hereunto set my hand on this September 15, 2004.

(SEAL)

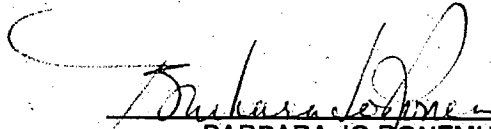
  
BARBARA JO RONECUS, City Clerk

**Exhibit "A"**

**(Attach Notice of Meeting and Agenda)**

# CITY COUNCIL AGENDA

SEPTEMBER 15, 2004

## TABLE OF CONTENTS

|                    |      |
|--------------------|------|
| Ceremonial Matters | Pg 1 |
| Business Items     | Pg 2 |

| CONSENT                          |          | DISCUSSION                                                                                |       |
|----------------------------------|----------|-------------------------------------------------------------------------------------------|-------|
| Administrative                   | Pg 2     | Administrative                                                                            | Pg 7  |
| Finance & Business Services      | Pg 2 – 4 | Business Development                                                                      | Pg 7  |
| Municipal Court                  | Pg 4     | City Attorney                                                                             | Pg 8  |
| Neighborhood Services Department | Pg 4     | Finance & Business Services                                                               | Pg 8  |
| Planning & Development           | Pg 5     | Planning & Development                                                                    | Pg 8  |
| Public Works Department          | Pg 5 – 6 | Resolutions                                                                               | Pg 9  |
| Resolutions                      | Pg 6 – 7 | Boards & Commissions                                                                      | Pg 9  |
| Real Estate Committee            | Pg 7     | Recommending Committee Reports<br><i>(Bills eligible for adoption at this meeting)</i>    | Pg 9  |
|                                  |          | Recommending Committee Reports<br><i>(Bills eligible for adoption at a later meeting)</i> | Pg 9  |
|                                  |          | New Bills                                                                                 | Pg 10 |

### AFTERNOON

|                                            |            |
|--------------------------------------------|------------|
| Afternoon Session                          | Pg 10      |
| Hearings                                   | Pg 10      |
| Planning & Development                     | Pg 10 – 20 |
| Addendum <i>(Item heard by Department)</i> | Pg 20      |
| Citizens Participation                     | Pg 20      |





## **CITY COUNCIL AGENDA**

**COUNCIL CHAMBERS • 400 STEWART AVENUE • PHONE 229-6011**

**CITY OF LAS VEGAS INTERNET ADDRESS: <http://www.lasvegasnevada.gov>**

**OSCAR B. GOODMAN, MAYOR (At-Large) • COUNCILMAN GARY REESE, MAYOR PRO TEM (Ward 3)**

**COUNCILMEMBERS: LARRY BROWN (Ward 4), LAWRENCE WEEKLY (Ward 5), MICHAEL MACK (Ward 6),  
JANET MONCRIEF (Ward 1) and STEVE WOLFSON (Ward 2)**

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Facilities are provided throughout City Hall for the convenience of persons with disabilities. For meetings held in the Council Chambers, sound equipment is available for persons with hearing impairments. If you need an accommodation to attend and participate in this meeting, please call the City Clerk's office at 229-6311 and advise of your need at least 48 hours in advance of the meeting. The City's TDD number is 386-9108.

**SEPTEMBER 15, 2004**

**Morning Session begins at 9:00 a.m.**

**Afternoon Session begins at 1:00 p.m.**

ALL ITEMS ON THIS AGENDA ARE SCHEDULED FOR ACTION UNLESS SPECIFICALLY NOTED OTHERWISE.

THESE PROCEEDINGS ARE BEING PRESENTED LIVE ON KCLV, CABLE CHANNEL 2, AND ARE CLOSED CAPTIONED FOR OUR HEARING IMPAIRED VIEWERS. THE COUNCIL MEETING, AS WELL AS ALL OTHER KCLV PROGRAMMING, CAN BE VIEWED ON THE INTERNET AT [www.kclv.tv](http://www.kclv.tv). THE PROCEEDINGS WILL BE REBROADCAST ON KCLV CHANNEL 2 AND THE WEB THE WEDNESDAY OF THE MEETING AT 8:00 PM, AND ALSO ON FRIDAY AT 4:00 AM, SATURDAY AT 7:00 PM, SUNDAY AT 7:00 AM AND THE FOLLOWING MONDAY AT 1:00 PM.

DUPLICATE AUDIO TAPES MAY BE AVAILABLE AT A COST OF \$3.00 PER TAPE AND DUPLICATE VIDEO TAPES MAY BE AVAILABLE AT A COST OF \$5.00 PER TAPE THROUGH THE CITY CLERK'S OFFICE.

NOTE: CELLULAR PHONES ARE TO BE TURNED OFF DURING THE COUNCIL MEETING.

### **CEREMONIAL MATTERS**

- CALL TO ORDER
- ANNOUNCEMENT RE: COMPLIANCE WITH OPEN MEETING LAW
- INVOCATION - REVEREND BONNIE PAULIE, CHRIST EPISCOPAL CHURCH
- PLEDGE OF ALLEGIANCE
- RECOGNITION OF THE EMPLOYEE OF THE MONTH
- RECOGNITION OF ONE COMMUNITY, ONE BOOK MONTH
- RECOGNITION OF HISPANIC HERITAGE MONTH
- RECOGNITION OF EAGLE SCOUTS FOR OUTSTANDING COMMUNITY SERVICE
- RECOGNITION OF OUTSTANDING COMMUNITY SERVICE IN WARD 5

## **BUSINESS ITEMS**

1. Any items from the morning session that the Council, staff and/or the applicant wish to be stricken or held in abeyance to a future meeting may be brought forward and acted upon at this time
2. Approval of the Final Minutes by reference of the regular City Council Meetings of June 2, 2004 and June 16, 2004

## **CONSENT AGENDA**

**MATTERS LISTED ON THE CONSENT AGENDA ARE CONSIDERED TO BE ROUTINE AND HAVE BEEN RECOMMENDED FOR APPROVAL BY THE SUBMITTING DEPARTMENTS. ALL ITEMS ON THE CONSENT AGENDA MAY BE APPROVED IN A SINGLE MOTION. HOWEVER, IF A COUNCIL MEMBER SO REQUESTS, ANY CONSENT ITEM MAY BE MOVED TO THE DISCUSSION PORTION OF THE AGENDA AND OTHER ACTION, INCLUDING POSTPONEMENT OR DENIAL OF THE ITEM, MAY TAKE PLACE.**

### **ADMINISTRATIVE - CONSENT**

3. Approval of the First Amended and Restatement of the Production and Promotion Agreement between SFX Marketing, Inc. a subsidiary of Clear Channel Entertainment (CCE), and the Commission for the Las Vegas Centennial to provide development, creation, production and promotion of all aspects of the Las Vegas Centennial Celebration - All Wards

### **FINANCE & BUSINESS SERVICES DEPARTMENT - CONSENT**

4. Approval of Service and Material Checks/Payroll Checks/Wire Transfers/Other Checks and Investments
5. Approval to provide \$210,000 from the City Facilities Capital Projects Fund (CPF) in additional funding to the City Hall Basement Graphic Arts Remodel project - Ward 5 (Weekly)
6. Approval to transfer \$40,000 in funding from the Public Works Capital Projects Fund (CPF) St. Louis Avenue Beautification project to the Parks and Leisure Activities CPF for the Huntridge Circle Park project for plastering a barrier - Ward 3 (Reese)
7. Approval of a Special Event License for Thai Cultural Art Association of Las Vegas, Location: Charleston Heights Arts Center, 800 Brush Street, Date: September 15, 2004, Type: Special Event Beer/Wine, Event: Thai Performing Arts Appreciation Day 2004, Responsible Person in Charge: Kochasieh Phibulphanuvat - Ward 1 (Moncrief)
8. Approval of a Special Event License for Lady Luck, Location: Lady Luck, 206 North 3rd Street, Dates: September 16-18, 2004, Type: Special Event Beer/Wine, Event: Bikefest Registration, Parking and Shuttle, Responsible Person in Charge: Thomas Dunbar - Ward 5 (Weekly)
9. Approval of a Special Event License for Lady Luck, Location: Lady Luck, 206 North 3rd Street, Date: September 24, 2004, Type: Special Event Beer/Wine, Event: Street Party, Responsible Person in Charge: Thomas Dunbar - Ward 5 (Weekly)
10. Approval of a Special Event License for Chilean American Association, Location: Hills Park, 9100 Hillpointe Road, Date: September 26, 2004, Type: Special Event General, Event: Chilean Independence Day Celebration, Responsible Person in Charge: Patricio Sarnataro - Ward 4 (Brown)
11. Approval of a Special Event License for Southern Nevada Blues Association, Location: Sammy Davis Jr., Plaza, 720 Twin Lakes Drive, Date: October 3, 2004, Type: Special Event Beer/Wine/Cooler, Event: Las Vegas Blues Festival, Responsible Person in Charge: Chere J. Perez - Ward 5 (Weekly)

## FINANCE & BUSINESS SERVICES DEPARTMENT - CONSENT

12. Approval of a Special Event License for Las Vegas Founders Club, Location: Tournament Players Club at Summerlin, 1700 Village Center Circle, Dates: October 7-10, 2004, Type: Special Event General, Event: Las Vegas Invitational PGA Golf Tournament, Responsible Person in Charge: David Roush - Ward 2 (Wolfson)
13. Approval of a Special Event License for Saint Francis de Sales Catholic Church, Location: 1111 North Michael Way, Church Grounds, Date: October 24, 2004, Type: Special Event General, Event: International Carnival and Bazaar Fundraiser, Responsible Person in Charge: Ed Irigoyen - Ward 5 (Weekly)
14. Approval of a Special Event License for Las Vegas South Sunset Rotary Club, Location: Opportunity Village, 6300 West Oakey Boulevard, Date: November 13, 2004, Type: Special Event General, Event: Mad Hatter's Ball, Responsible Person in Charge: Robert Wood - Ward 1 (Moncrief)
15. Approval of a Special Event License for Ladd Heleloa, Location: Sammy Davis Jr. Plaza, 720 Twin Lakes Drive, Date: September 18, 2004, Type: Special Event Beer/Wine/Cooler, Event: Na Palapalai Hawaiian Concert, Responsible Person in Charge: Ladd Heleloa - Ward 5 (Weekly)
16. Approval of a new Beer/Wine/Cooler On-sale License, Vesci & Vesci, dba New York Pizza and Pasta, 2400 South Jones Boulevard, 13, James J. Vesci and Laura A. Vesci, 100% jointly as husband and wife - Ward 1 (Moncrief)
17. Approval of a new Liquor Caterer License, Bleu Gourmet, LLC, dba Bleu Gourmet, 8751 West Charleston Boulevard, Samuel R. Bailey, Mgr, Mmbr, 35%, Robert L. Bowell, Mgr, Mmbr, 35%, Sandeep Ahuja, Mmbr, 30% - Ward 1 (Moncrief)
18. Approval of Change of Ownership and Business Name for a Beer/Wine/Cooler Off-sale License and a new Restricted Gaming License for 7 slots subject to the provisions of the fire codes, Health Dept. regulations and confirmation of approval by the Nevada Gaming Commission, From: Short Line Operations, LLC, dba Short Line Express Market, Duane L. Shields, Mgr, Ernest A. Becker, Jr., Mgr, Robert M. Morton, II, Mgr, The Ernest A. Becker IV & Kathleen C. Becker Family Trust, Mmbr, 33 1/3%, Ernest A. Becker, Jr., Trustee, Kathleen R. Becker, Trustee, Duane L. Shields & MaryEllen Shields Family Trust, Mmbr, 33 1/3%, Duane L. Shields, Trustee, MaryEllen Shields, Trustee, AMS 1998 Trust, Mmbr, 33 1/3%, Robert M. Morton, II, Trustee, To: Dashmesh Oil Company, dba Dashmesh Gas Station and Market, 6698 Sky Pointe Drive, Gurpreet S. Grewal, Dir, Pres, Secy, Treas, 100% - Ward 6 (Mack)
19. Approval of a new Burglar Alarm Service License, National Alarm Computer Center, Inc., dba National Alarm Computer Center, Inc., 96 Corporate Park, Suite 300, Irvine, California, Stephen B. Baker, VP - California
20. Approval of Change of Location for a Burglar Alarm License, Crime Busters of Nevada, Inc., dba All Secure Alarm Protection, From: 4625 Wynn Road, Suite 101, To: 4780 West Harmon Avenue, Suite 4, David Gross, Pres, 50%, John C. Perdicizzi, Dir, Secy, Treas, 50% - County
21. Approval of a new Locksmith License, Alamo Lock and Key, LLC, dba Alamo Lock and Key, LLC, 1625 Paradise Reef Avenue, Michael R. King, Mgr, Mmbr, 50%, Jo Ann King, Mgr, Mmbr, 50% - North Las Vegas
22. Approval of a new Massage Establishment License, Ronald L. Reed, dba The Right Touch, 1105 South Rainbow Boulevard, Suite 102, Ronald L. Reed, 100% - Ward 1 (Moncrief)
23. Approval of a new Psychic Art and Science License, Sonya Adams, dba Sonya Adams, 1500 East Sahara Avenue, Suite B, Sonya Adams, 100% - Ward 3 (Reese)
24. ABEYANCE ITEM - Preapproval of award of Bid No. 05.1730.09-LED, Modification of Lake Mead Boulevard and Tenaya Way Intersection to the lowest responsive and responsible or best bidder and the construction conflicts and contingency reserve set by Finance and Business Services - Department of Public Works (Monetary range \$550,000 to \$760,000 - Road and Flood Capital Projects Fund) - Ward 4 (Brown)
25. Approval of award of Bid No. 04.15341.19-LED, City Hall Basement Remodel and approve the construction conflicts and contingency reserve set by Finance and Business Services - Department of Public Works - Award recommended to: COBBLESTONE CONSTRUCTION (\$702,670 - City Facilities Capital Projects Fund) - Ward 5 (Weekly)

## **FINANCE & BUSINESS SERVICES DEPARTMENT - CONSENT**

26. Approval of issuance of a purchase order for a Mobile Disaster Relief Animal Shelter Clinic - Detention & Enforcement Department - Award recommended to: LA BOIT, INC. (\$111,000 - Multi Purpose Special Revenue Fund)
27. Approval of award of Agreement No. 050030, Business License Tax Audit Consulting Services - Department of Finance and Business Services - Award recommended to: MBIA MUNISERVICES COMPANY (\$100,000 estimated contingency fee)
28. Approval of award of Agreement No. 050061, Electrical Engineering Consulting Services - Department of Field Operations - Award recommended to: HARRIS CONSULTING ENGINEERS, LLC (\$53,845 - General Fund) - Ward 5 (Weekly)
29. Approval of award of Contract No. 050065-LED, Fire Authority Building Maintenance Testing - Department of Field Operations - Award recommended to: ELECTRICAL RELIABILITY SERVICES, INC. (\$36,125 - General Fund)
30. Approval of ratification of a purchase order for emergency security guards for Sky Vue Mobile Home Park, 15 West Owens Ave. - Department of Detention and Enforcement - Award recommended to: GUARDIAN SECURITY (\$32,256 - General Fund) - Ward 5 (Weekly)
31. Approval of issuance of a purchase order for the purchase of Community Emergency Response Team (CERT) backpacks - Department of Fire and Rescue - Award recommended to: SAFETY IMAGES (\$25,875 - Multi Purpose Special Revenue Fund)
32. Approval of award of Bid No. 04.1730.08-LED, Durango Drive IV, Tropical Parkway to I-215, and approve the construction conflicts and contingency reserve set by Finance and Business Services - Department of Public Works - Award recommended to: TAB CONTRACTORS, INC. (\$4,474,437 - Various Funds) - Ward 6 (Mack)

## **MUNICIPAL COURT - CONSENT**

33. Approval of Interlocal Contract for Electronic Monitoring Services Agreement between the Las Vegas Municipal Court House Arrest Program and the Boulder City Municipal Court

## **NEIGHBORHOOD SERVICES DEPARTMENT - CONSENT**

34. Approval of revising a Rehabilitation Deferred Loan to include refinancing of current mortgages not to exceed \$213,275 in FY 2004 Home Investment Partnership (HOME) funds for Maria Magana at 4005 Via Vaquero Avenue - Ward 1 (Moncrief)
35. Approval of an additional \$225,210 of Community Development Block Grant (CDBG) Construction funds for the completion of the facility expansion of the Smart Start Child Care Center located at 1260 West Owens Avenue - Ward 5 (Weekly)
36. Approval of an allocation in the amount of \$400,000 in FY 2004 Home Investment Partnership (HOME) funds from the Clark County Consortium to be utilized for the City of Las Vegas Homebuyer Downpayment Assistance Program with the following participants: Women's Development Center, Consumer Credit Counseling and East Las Vegas Community Development Corporation to operate their Homebuyer Assistance Programs - All Wards
37. Approval of an Agreement between the Economic Opportunity Board Community Action Partnership and the City of Las Vegas in the amount of \$140,000 to be utilized by the City of Las Vegas Child Care Improvement Grant (CCIG) for childcare providers and to assist the City of Las Vegas Child Care Licensing Division with staff development and other training - All Wards

## **PLANNING & DEVELOPMENT DEPARTMENT - CONSENT**

38. Approval of parcels recommended for disposal at the Fall 2005 Bureau of Land Management Public Land Sale - Wards 4 and 6 (Brown and Mack)
39. Approval of an interlocal agreement between the City of Las Vegas and Clark County for the construction of Pioneer Trail - Wards 1 and 5 (Moncrief and Weekly)

## **PUBLIC WORKS DEPARTMENT - CONSENT**

40. Approval of Seventh Supplemental Interlocal Contract 250g - Alta Drive - Rancho Drive to Union Pacific Railroad (UPRR) Property between the City of Las Vegas and the Regional Transportation Commission (RTC) to increase total project funding (\$92,000 - Regional Transportation Commission) - Ward 5 (Weekly)
41. Approval of Interlocal Contract 481 for a City Parkway - D Street Connector Alignment Study between Grand Central Parkway and I-15 between the City of Las Vegas and the Regional Transportation Commission (RTC) (\$100,000 - Regional Transportation Commission) - Ward 5 (Weekly)
42. Approval of Interlocal Contract 482 - Bus Turnout Project FY 2005 between the City of Las Vegas and the Regional Transportation Commission (RTC) (\$500,000 - Regional Transportation Commission) - Ward 3 (Reese)
43. Approval of Fourth Supplemental Interlocal Contract LAS10J98 - Gowan North Channel Alexander Drive to Lone Mountain Road and Lone Mountain Outfall between the City of Las Vegas and the Clark County Regional Flood Control District (CCRFCD) to increase total project funding (\$20,000 - Clark County Regional Flood Control District) - Ward 6 (Mack)
44. Approval to file a Right-of-Way Grant with the Bureau of Land Management for drainage purposes on portions of land lying within the Southwest Quarter of Section 31, Township 19 South, Range 60 East, the North Half of Section 6 and the Northwest Quarter of Section 5, Township 20 South, Range 60 East, Mount Diablo Meridian, generally located on the north and south sides of the Lone Mountain Road alignment, between the Hualapai Way and El Capitan Way alignments, APNs 125-31-401-007, -403-001, -801-002, -804-002, 138-05-101-006, 138-06-201-001, -503-001, -003 and -004 - County (near Ward 6 - Mack)
45. Approval of a Sewer Connection and Interlocal Contract with Clark County Water Reclamation District - Southwest Engineering on behalf of Richmond American Homes, owners (north of Centennial Parkway, between Fort Apache Road and Kevin Street, APNs 125-20-401-006, -007, -009; 125-20-403-001, -002, -003, -004; 125-20-402-004 and -005) - County (near Ward 6 - Mack)
46. Approval of an Encroachment Request from Southwest Engineering on behalf of Sky Ridge Limited, owner (Tee Pee Lane at Oso Blanca Road) - Ward 6 (Mack)
47. Approval of a Sewer Connection and Interlocal Contract with Clark County Water Reclamation District - Southwest Engineering on behalf of Richmond American Homes, owners (northwest corner of Chieftain Street and Centennial Parkway, APN 125-19-802-012) - County (near Ward 6 - Mack)
48. Approval of an Encroachment Request from MM & K Trust, owner (Tenth Street at Garces Avenue) - Ward 5 (Weekly)
49. Approval of a Construction Management Agreement with TJ Consulting for construction management services on Fire Station No. 8 located at Mojave Road and Harris Avenue, Fire Station No. 47 located at Alta Drive and Carriage Hill Drive and Freedom Park Pool located at Pecos Road and Washington Avenue (\$184,912 - Various Capital Project Funds) - Wards 2 and 3 (Wolfson and Reese)
50. Approval of an Interlocal Agreement 110388 with the Las Vegas Valley Water District for water service at Mirabelli Community Center located at 6200 Hargrove Avenue (\$1,896 - Capital Improvement Projects Fund) - Ward 1 (Moncrief)

## **PUBLIC WORKS DEPARTMENT - CONSENT**

51. Approval of a Designated Services Agreement with Terracon Consultants Inc., for material testing and special inspection services of Mirabelli Community Center Demo and Rebuild located at Elton Avenue and Hargrove Avenue (\$36,742 - Capital Improvement Projects Fund) - Ward 1 (Moncrief)
52. Approval of a First Amendment to a Construction Management Agreement with TJ Consulting for construction management for Washington and Buffalo Park Phase 1A and 1B located at Washington Avenue and Buffalo Drive (\$92,460 - Capital Project Funds) - Ward 4 (Brown)
53. Approval of a Blanket Services Agreement with Kennedy Jenks Consultant Inc., for the design services of Trails, Trailheads and various amenities (\$500,000 - Southern Nevada Public Lands Management Act) - Ward 6 (Mack)
54. Approval of the installation of Speed Humps on Wilmington Way between Richfield Boulevard and Wyandotte Street (\$7,800 - Neighborhood Traffic Management Program) - Ward 1 (Moncrief)
55. Approval of the installation of Speed Humps on Spencer Street between St. Louis Avenue and Oakey Boulevard (\$7,800 - Neighborhood Traffic Management Program) - Ward 3 (Reese)
56. Approval of the installation of Speed Humps on Valley Drive between Coran Lane and Lake Mead Boulevard (\$10,400 - Neighborhood Traffic Management Program) - Ward 5 (Weekly)
57. Approval of the installation of Speed Humps on Jo Marcy Drive between Tule Springs Road and Cimarron Road (\$10,400 - Neighborhood Traffic Management Program) - Ward 6 (Mack)
58. Approval of Amendment No. 2 to Highway Agreement No. P624-03-063 with the Nevada Department of Transportation to design and construct road improvements at the Charleston Boulevard/Valley View Boulevard intersection utilizing Federal Safety Funds and Nevada Department of Transportation Funds - Ward 1 (Moncrief)
59. Approval of Bill of Sale 107811 to the Las Vegas Valley Water District (LVVWD) for transfer of ownership of water distribution facilities installed in conjunction with the Rainbow Boulevard Improvements - Northern Section, Rancho Road to Ann Road - Ward 6 (Mack)
60. Approval of Bill of Sale 107046 to the Las Vegas Valley Water District (LVVWD) for transfer of ownership of water distribution facilities installed in conjunction with Special Improvement District No.1478 - Vegas Drive/Owens Avenue, Rancho Drive to Interstate 15 - Ward 5 (Weekly)
61. Approval of a Dedication from the City of Las Vegas, for a portion of the Southeast Quarter of Section 27, Township 20 South, Range 61 East, Mount Diablo Meridian, for rights-of-way located along Veterans Memorial Drive between Washington Avenue and Bonanza Road and Sycamore Lane between Biltmore Drive and Veterans Memorial Drive, APNs 139-27-708-011, 010, 013 and 899-019 - Ward 5 (Weekly)
62. Approval of Amendment No. 1 to Highway Agreement No. P860-03-063 with the Nevada Department of Transportation to design and construct road improvements at the intersection of Charleston Boulevard and Rampart Boulevard/Fort Apache Road - Ward 2 (Wolfson)

## **RESOLUTIONS - CONSENT**

63. R-147-2004 - Approval of a Resolution Awarding Bid for Special Improvement District No. 1503 - Durango Drive Phase IV (Tropical Parkway to Clark County Highway 215) (\$246,727 - Capital Projects Fund/Special Assessments) - Ward 6 (Mack)
64. R-148-2004 - Approval of a Resolution amending Schedules 25-II, 35 MPH Speed Limits, and 25-IV, 45 MPH speed limits, to change the speed limit on Jones Boulevard between Farm Road and Grand Teton Drive from 45 MPH to 35 MPH - Ward 6 (Mack)

## **RESOLUTIONS - CONSENT**

65. R-149-2004 - Approval of a Resolution amending Schedules 25-II, 35 MPH Speed Limits, and 25-IV, 45 MPH Speed Limits, to change the speed limit on Durango Drive between Desert Inn Road and Sahara Avenue from 35 MPH to 45 MPH - Ward 2 (Wolfson)

## **REAL ESTATE COMMITTEE - CONSENT**

66. Approval of an Assignment and Option Agreement with Affordable Housing Resource Council (AHRC) (the Assignor) and Silver Sky Assisted Living Limited Partnership (Assignee) to purchase approximately ten (10) acres of City of Las Vegas land located in the vicinity of Silver Sky Drive and Roland Wiley, Las Vegas, Nevada for development and construction of a senior assisted living project and senior housing - Ward 2 (Wolfson)
67. Approval of a Grant, Bargain and Sale Deed from Astoria Lone Mountain 30, LLC, to the City of Las Vegas for approximately 21,000 square feet of land in the vicinity of Gilmore Avenue on APN 137-12-201-014 - Ward 4 (Brown)
68. Approval of entering into negotiations with KB Homes to purchase a portion of APN 125-08-401-004 located at Grand Teton Drive and US-95 North from the City of Las Vegas (CLV) - Ward 6 (Mack)
69. Approval of Interlocal Agreement 110273 between the City of Las Vegas and the Las Vegas Valley Water District (LVVWD) for a water line extension on APN 139-27-708-008 commonly known as the Reed Whipple Cultural Center located at 821 North Las Vegas Boulevard - Ward 5 (Weekly)
70. ABEYANCE ITEM - Approval of entering into negotiations with The Shade Tree, Inc., for the purchase of approximately one acre of City land in the vicinity of Owens Avenue and Main Street for an off-site expansion - Ward 5 (Weekly)
71. ABEYANCE ITEM - Approval of entering into negotiations with The Salvation Army for a Purchase Agreement for approximately 3.165 acres of land in the vicinity of Owens Avenue and Main Street for The Salvation Army and HAND Development Company for co-development of an affordable family housing community - Ward 5 (Weekly)
72. Approval of a Lease Agreement with The Salvation Army to provide use of the former Crisis Intervention Center facility located at 1581 North Main Street - Ward 5 (Weekly)

## **DISCUSSION / ACTION ITEMS**

### **ADMINISTRATIVE - DISCUSSION**

73. Discussion and possible action regarding the City's role and involvement in the Veteran's Day Parade (\$7,500 - Special Revenue Fund)
74. Report and possible action regarding the Clark County Health District staff presentation concerning West Nile Virus issues in Southern Nevada

### **BUSINESS DEVELOPMENT - DISCUSSION**

75. Report on the New Markets Tax Credit application process and on requests from three community groups to receive participation from the City of Las Vegas in support of their respective applications to the Department of Treasury - Wards 1 and 5 (Moncrief and Weekly)

## **CITY ATTORNEY - DISCUSSION**

- 76. Discussion and possible action on Appeal of Work Card Denial: Theresa Yvonne Carr, 3255 Epson Street, Las Vegas, Nevada 89129
- 77. Discussion and possible action on Appeal of Work Card Denial: James Jason Walker, 3240 Westwind Road, Las Vegas, Nevada 89146

## **FINANCE & BUSINESS SERVICES DEPARTMENT - DISCUSSION**

- 78. Discussion and possible action regarding a new Psychic Art and Science License, Nina Demetro, dba Psychic World, 1820 Hassett Avenue, Nina Demetro, 100% - Ward 3 (Reese)
- 79. Discussion and possible action regarding Temporary Approval of Change of Ownership and Business Name for a Beer/Wine/Cooler On-sale License subject to the provisions of the fire codes and Health Dept. regulations, From: Kowloon, LLC, dba Kowloon Cuisine, Yuk S. Wong, Mgr, 60%, Xiao-Yun Zhu, Mgr, 40%, To: Steven, LLC, dba Pho Tien Asian Cuisine, 1750 North Buffalo Drive, Suite 107, Steven Wynn, Mgr, Mmbr, 100% - Ward 4 (Brown)
- 80. Discussion and possible action regarding Change of Ownership, Location and Business Name for a Tavern License subject to the provisions of the planning codes and Health Dept. regulations, From: Bola III, LLC, dba La Salsa Fresh Mexican Grill, 4949 North Rancho Drive (Non-operational), Lawrence T. Simon, Mgr, Mmbr, and Monica A. Simon, Mgr, Mmbr, 13.77% jointly as husband and wife, Robert H. Whalen, Mgr, Mmbr, 5.3%, Laura A. Cunningham, Mgr, Mmbr, 1.06%, Nevada Franchise, LLC, Mmbr, 79.87%, Lawrence T. Simon, Mgr, Pres, Secy, Treas, SFFG, LLC, Mmbr, 100%, Lawrence T. Simon, Mgr, Pres, Secy, Treas, To: Celebrity Las Vegas, LLC, dba Celebrity Las Vegas, 201 North 3rd Street, Donald D. Troxel, Mgr, Mmbr, 100% (NOTE: Item to be heard in the afternoon session in conjunction with Item 148 - SUP-4739) - Ward 5 (Weekly)
- 81. Discussion and possible action regarding Approval of Key Employee for a Tavern License and a Restricted Gaming License for 15 slots, Dick's Liquors, Inc., dba Cooler Lounge, 1903 North Decatur Boulevard, Jo Ann Milton, Key Employee - Ward 5 (Weekly)
- 82. Discussion and possible action regarding a new Burglar Alarm Service License, All Secure, Inc., dba All Secure, Inc., 3904 Wharton Street, Noel Emanuel, Dir, Pres, Secy, Treas, 100% - Ward 6 (Mack)
- 83. Discussion and possible action regarding Temporary Approval of a new Psychic Art and Science License subject to the provisions of the planning and fire codes, Jodi Ann Hazzard, dba Jodi Ann Hazzard, 6848 West Charleston Boulevard, Jodi Ann Hazzard, 100% - Ward 1 (Moncrief)
- 84. Discussion and possible action regarding Temporary Approval of Change of Ownership and Business Name for a Class II Secondhand Dealer License subject to the provisions of the fire codes, From: Kid to Kid of Summerlin, LLC, dba Kid to Kid of Summerlin, LLC, Tina M. Vialard, Mmbr, 50%, Jeffrey R. Vialard, 50%, To: Home Planet, Inc., dba Kid to Kid, 8450 West Sahara Avenue, Suite 105, Douglas R. MacPherson, Dir, Pres, 50%, Fumiko MacPherson, Dir, Secy, Treas, 50% - Ward 1 (Moncrief)
- 85. Discussion and possible action regarding a Six Month Review of a Tavern License and a Restricted Gaming License for 15 slots, Claudio Garcia, dba Sin Fronteras Bar & Nightclub, 1203 East Charleston Boulevard, Suites I and J, Claudio H. Garcia, 100% - Ward 5 (Weekly)
- 86. ABEYANCE ITEM - Discussion and possible action regarding a Six Month Review of a Tavern License, D. Westwood, Inc., dba Treasures, 2801 Westwood Drive, Ali Davari, Dir, Pres, Treas, 50%, Hassan Davari, Dir, Secy, 50% - Ward 1 (Moncrief)

## **PLANNING & DEVELOPMENT DEPARTMENT - DISCUSSION**

- 87. Discussion and possible action regarding the population estimates for redistricting - All Wards



## **RESOLUTIONS - DISCUSSION**

88. R-150-2004 - Discussion and possible action regarding a resolution authorizing the Mayor to appoint Directors to the Las Vegas Arts District Development Corporation (LVADDC) and to approve the City of Las Vegas to be designated the Controlling Entity of LVADDC in the Application for New Markets Tax Credits from the Department of Treasury - Ward 1 (Moncrief)

## **BOARDS & COMMISSIONS - DISCUSSION**

89. NEON MUSEUM BOARD OF TRUSTEES: Appointment by the City Council of one Class I City of Las Vegas Trustee, currently filled by Councilman Michael Mack, and one Class III City of Las Vegas Trustee, currently vacant
90. TRAFFIC & PARKING COMMISSION - John J. Phillips, Term Expiration 10-18-2004

## **RECOMMENDING COMMITTEE REPORTS - DISCUSSION**

### **BILLS ELIGIBLE FOR ADOPTION AT THIS MEETING**

91. Bill No. 2004-59 - Annexation No. ANX-4440 - Property location: On the north side of Regena Avenue, 170 feet east of Riley Street; Petitioned by: Mona Agamez; Acreage: 0.62 acres; Zoned: R-E (County zoning), R-E (City equivalent). Sponsored by: Councilman Michael Mack
92. Bill No. 2004-60 - Ordinance Creating Special Improvement District No. 1505 - Sierra Oeste Neighborhood Streetlights. Sponsored by: Step Requirement
93. Bill No. 2004-61 - Ordinance authorizing the issuance by the City of Las Vegas, Nevada, of General Obligation (Limited Tax) Medium-Term Recreation Bonds (Centennial Hills Project), Series 2004C in the aggregate principal amount not to exceed \$20,000,000

### **BILLS ELIGIBLE FOR ADOPTION AT A LATER MEETING**

**THERE IS NO PUBLIC COMMENT ON THESE ITEMS AND NO ACTION WILL BE TAKEN BY THE COUNCIL AT THIS MEETING, EXCEPT THOSE ITEMS WHICH MAY BE STRICKEN OR TABLED. PUBLIC TESTIMONY TAKES PLACE AT THE RECOMMENDING COMMITTEE MEETING HELD FOR THAT PURPOSE.**

94. Bill No. 2004-62 - Makes adjustments to the types of zoning approval necessary for various land uses. Proposed by: Robert S. Genzer, Director of Planning and Development
95. Bill No. 2004-63 - Provides that Planning Commission action on most special use permits is final, unless appealed or requested for review by a member of the City Council, and modifies certain provisions regarding related hearings and appeals so as to conform to State law. Proposed by: Robert S. Genzer, Director of Planning and Development
96. Bill No. 2004-64 - Modifies the standards for granting a variance application and modifies certain provisions regarding variance hearings and appeals so as to conform to State law. Proposed by: Robert S. Genzer, Director of Planning and Development

## NEW BILLS

**THERE IS NO PUBLIC COMMENT ON THESE ITEMS. NEW BILLS ARE READ INTO THE RECORD AND REFERRED TO RECOMMENDING COMMITTEE FOR A SEPARATE HEARING TO RECEIVE PUBLIC TESTIMONY BEFORE ACTION BY THE COUNCIL AT A LATER MEETING. EXCEPTION: EMERGENCY BILLS OR THOSE ITEMS TO BE STRICKEN OR TABLED.**

- 97. Bill No. 2004-65 – Amends the Supplemental Document to the NFPA 1, Uniform Fire Code, 2003 Edition, regarding the approval of traffic management or calming devices. Proposed by: David L. Washington, Chief, Department of Fire and Rescue
- 98. Bill No. 2004-66 – Establishes new solid waste and recycling regulations. Proposed by: Mark R. Vincent, Director of Finance and Business Services
- 99. Bill No. 2004-67 – Adjusts the ward boundaries of the City. Proposed by: Bradford R. Jerbic, City Attorney

## 1:00 P.M. - AFTERNOON SESSION

- 100. Any items from the afternoon session that the Council, staff and/or the applicant wish to be stricken or held in abeyance to a future meeting may be brought forward and acted upon at this time

## HEARINGS - DISCUSSION

- 101. Public hearing to consider the report of expenses to recover costs for the abatement of dangerous building at 410 South 7th Street. PROPERTY OWNER: JOHNNY KIM LARSEN EXEMPT TRUST – Ward 1 (Moncrief)

## PLANNING & DEVELOPMENT DEPARTMENT

The items listed below, where appropriate, have been reviewed by the various City departments relative to requirements for storm drainage and flood control, connection to sanitary sewer, traffic circulation, and building and fire regulations. Their comments and/or recommendations and requirements have been incorporated into the action.

## PLANNING & DEVELOPMENT DEPARTMENT – DISCUSSION

- 102. WATER FEATURE EXEMPTION - DIR-4831 - APPLICANT/OWNER: SIMON CHELSEA LV DEV, LLC - Request for a Water Feature Exemption to allow the operation of four water features for a commercial development located at 777 South Grand Central Parkway. (APN 139-33-710-001), Ward 5 (Weekly). Staff recommends APPROVAL
- 103. ABEYANCE ITEM - APPEAL OF DIRECTOR'S DECISION - DIR-4797 - APPLICANT: ORION OUTDOOR MEDIA - OWNER: LAPOUR GRAND CENTRAL, LIMITED LIABILITY COMPANY - Appeal of Director's decision per Title 19.00.070.F to deny the application of a Special Use Permit for a proposed Off-Premise Advertising (Billboard) Sign at 211 West Charleston Boulevard (APN 162-04-504-009) for failure to comply with Title 19.14.100, Ward 1 (Moncrief). Staff recommends DENIAL
- 104. DIRECTOR'S BUSINESS - DIR-5079 - APPLICANT/OWNER: SCOTCH EIGHTY HOMEOWNERS ASSOCIATION - Appeal of Director's decision per Title 19.00.070.F to deny the application of a Petition to Vacate public streets located within the Scotch Eighty Subdivision for failure to comply with Title 19.04.040, Ward 1 (Moncrief). Staff recommends DENIAL

## PLANNING & DEVELOPMENT DEPARTMENT – DISCUSSION

105. RESCIND PREVIOUS ACTION - DIRECTOR'S BUSINESS - PUBLIC HEARING - DIR-3934 - APPLICANT/OWNER: HOWARD HUGHES CORPORATION - Discussion and possible action on A REVISED DEVELOPMENT STANDARDS MANUAL FOR SUMMERLIN, Ward 2 and 4 (Wolfson and Brown). Staff has NO RECOMMENDATION
106. RECONSIDER - DIRECTOR'S BUSINESS - PUBLIC HEARING - DIR-3934 - APPLICANT/OWNER: HOWARD HUGHES CORPORATION - Discussion and possible action on A REVISED DEVELOPMENT STANDARDS MANUAL FOR SUMMERLIN, Ward 2 and 4 (Wolfson and Brown). The Planning Commission (6-0 vote) and staff recommend APPROVAL
107. GENERAL PLAN AMENDMENT - PUBLIC HEARING - GPA-4528 - APPLICANT: SILVER SKY ASSISTED LIVING, LIMITED PARTNERSHIP - OWNER: CITY OF LAS VEGAS - Request to Amend a portion of the Southwest Sector Plan of the General Plan FROM: MLA (Medium-Low Attached Density Residential) TO: M (Medium Density Residential) on 10.5 acres adjacent to the northeast corner of Roland Wiley Road and Silver Sky Drive (APN 138-28-401-014), Ward 2 (Wolfson). The Planning Commission (4-0-1 vote on a motion for approval) failed to obtain a super-majority, therefore the recommendation is for DENIAL. Staff recommends APPROVAL
108. REZONING RELATED TO GPA-4528 - PUBLIC HEARING - ZON-4529 - APPLICANT: SILVER SKY ASSISTED LIVING, LIMITED PARTNERSHIP - OWNER: CITY OF LAS VEGAS - Request for a Rezoning FROM: U (Undeveloped) [MLA (Medium-Low Attached Residential) General Plan Designation] TO: R-PD17 (Residential Planned Development - 17 Units Per Acre) on 5.56 acres adjacent to the northeast corner of Roland Wiley Road and Silver Sky Drive (APN 138-28-401-014), Ward 2 (Wolfson). The Planning Commission (4-0-1 vote) and staff recommend APPROVAL
109. SITE DEVELOPMENT PLAN REVIEW RELATED TO GPA-4528 AND ZON-4529 - PUBLIC HEARING - SDR-4752 - APPLICANT: SILVER SKY ASSISTED LIVING, LIMITED PARTNERSHIP - OWNER: CITY OF LAS VEGAS - Request for a Site Development Plan Review FOR A PROPOSED THREE-STORY, 90-UNIT, 78,649 SQUARE-FOOT ASSISTED LIVING DEVELOPMENT on 5.56 acres adjacent to the northeast corner of Silver Sky Drive and Roland Wiley Road (APN 138-28-401-014), U (Undeveloped) Zone [MLA (Medium-Low Attached Density Residential) General Plan Designation] [PROPOSED: R-PD17 (Residential Planned Development - 17 Units Per Acre)], Ward 2 (Wolfson). The Planning Commission (4-0-1 vote) and staff recommend APPROVAL
110. SITE DEVELOPMENT PLAN REVIEW - PUBLIC HEARING - SDR-4604 - APPLICANT/OWNER: 600 CASINO CENTER, LIMITED LIABILITY COMPANY - Request for a Site Development Plan Review and WAIVERS from the Downtown Centennial Plan parking lot screening requirements, parking lot landscaping requirements, and Title 19 perimeter wall and buffer requirements, FOR A PROPOSED PARKING LOT on 0.72 acres adjacent to the southwest corner of Bonneville Avenue and Casino Center Boulevard (APN 139-34-311-043 through 047), C-2 (General Commercial) and R-4 (High Density Residential) Zones under Resolution of Intent to C-2 (General Commercial), Ward 1 (Moncrief). The Planning Commission (5-0 vote) and staff recommend APPROVAL
111. SITE DEVELOPMENT PLAN REVIEW - PUBLIC HEARING - SDR-4657 - APPLICANT: INDIGO ARCHITECTURE, INC. - OWNER: ISHIMARU, LIMITED LIABILITY COMPANY AND DESERT MOUNTAIN ENTERPRISES, INC. - Request for a Site Development Plan Review and a WAIVER from foundation landscaping requirements FOR A PROPOSED 8,400 SQUARE-FOOT OFFICE/RETAIL BUILDING on 0.93 acres adjacent to the north side of Lake Mead Boulevard, approximately 230 feet west of Harbor Island Drive (APN 138-20-611-006), C-1 (Limited Commercial) Zone, Ward 4 (Brown). The Planning Commission (5-0 vote) and staff recommend APPROVAL
112. SITE DEVELOPMENT PLAN REVIEW - PUBLIC HEARING - SDR-4726 - APPLICANT: PHD PROPERTIES, INC. - OWNER: CENTENNIAL COURT, LIMITED LIABILITY COMPANY - Request for a Major Amendment to an approved Site Development Plan Review [Z-0074-99(1)] FOR TWO PROPOSED PAD SITES TOTALLING 16,000 SQUARE FEET, WHERE THREE PAD SITES TOTALLING 10,754 SQUARE FEET HAD BEEN APPROVED on 3.56 acres adjacent to the northeast corner of Sky Pointe Drive and Buffalo Drive (APN 125-21-711-004 and 005), C-2 (General Commercial) Zone under Resolution of Intent to T-C (Town Center) and U (Undeveloped) Zone [TC (Town Center) General Plan Designation] under Resolution of Intent to T-C (Town Center), Ward 6 (Mack). The Planning Commission (5-0 vote) and staff recommend APPROVAL

## PLANNING & DEVELOPMENT DEPARTMENT – DISCUSSION

113. SITE DEVELOPMENT PLAN REVIEW - PUBLIC HEARING - SDR-4749 - APPLICANT: CITY OF LAS VEGAS - OWNER: UNITED STATES OF AMERICA AND CITY OF LAS VEGAS - Request for a Site Development Plan Review FOR A PROPOSED 98,000 SQUARE-FOOT LEISURE CENTER on 16.80 acres adjacent to the northwest corner of Buffalo Drive and John Herbert Boulevard (APN a portion of 125-21-701-011, and a portion of 125-21-701-012), U (Undeveloped) Zone [TC (Town Center) General Plan Designation] under Resolution of Intent to C-V (Civic) Zone, Ward 6 (Mack). The Planning Commission (5-0 vote) and staff recommend APPROVAL
114. SITE DEVELOPMENT PLAN REVIEW - PUBLIC HEARING - SDR-4750 - APPLICANT: ARNOLD ROSS STALK - OWNER: J & D FINANCIAL SERVICES, INC. - Request for a Site Development Plan Review and Waivers of perimeter and foundation landscaping, building placement, exterior accent strip lighting being within 300 feet of residential property, and parking lot landscaping FOR A PROPOSED 60,000 SQUARE-FOOT COMMERCIAL CENTER on 5.4 acres adjacent to the northwest corner of Fremont Street and 25th Street (APN 139-35-815-002), C-2 (General Commercial) Zone, Ward 3 (Reese). The Planning Commission (5-0 vote) and staff recommend APPROVAL
115. ABEYANCE ITEM - MAJOR MODIFICATION - PUBLIC HEARING - MOD-4615 - APPLICANT: COOPER CUSTOM HOMES - OWNER: MB HOLDINGS, LIMITED LIABILITY COMPANY - Request for a Major Modification TO REMOVE PROPERTY FROM THE IRON MOUNTAIN RANCH MASTER PLAN on 4.3 acres adjacent to the northeast corner of Horse Drive and Bradley Road (APN 125-12-601-006), R-E (Residence Estates) Zone [PROPOSED: R-PD2 (Residential Planned Development - 2 Units Per Acre)], Ward 6 (Mack). The Planning Commission (6-0 vote) and staff recommend APPROVAL
116. ABEYANCE ITEM - REZONING RELATED TO MOD-4615 - PUBLIC HEARING - ZON-4616 - APPLICANT: COOPER CUSTOM HOMES - OWNER: MB HOLDINGS, LIMITED LIABILITY COMPANY - Request for a Rezoning FROM: R-E (RESIDENCE ESTATES) TO: R-PD2 (RESIDENTIAL PLANNED DEVELOPMENT - 2 UNITS PER ACRE) on 6.99 acres adjacent to the northeast corner of Horse Drive and Bradley Road (APN 125-12-601-006 and 009), Ward 6 (Mack). The Planning Commission (6-0 vote) and staff recommend APPROVAL
117. ABEYANCE ITEM - SITE DEVELOPMENT PLAN REVIEW RELATED TO MOD-4615 AND ZON-4616 - PUBLIC HEARING - SDR-4617 - APPLICANT: COOPER CUSTOM HOMES - OWNER: MB HOLDINGS, LIMITED LIABILITY COMPANY - Request for a Site Development Plan Review FOR A 15 LOT SINGLE FAMILY RESIDENTIAL DEVELOPMENT on 6.99 acres adjacent to the northeast corner of Horse Drive and Bradley Road (APN 125-12-601-006 and 009), R-E (Residence Estates) Zone [PROPOSED: R-PD-2 (Residential Planned Development - 2 Units Per Acre)], Ward 6 (Mack). The Planning Commission (6-0 vote) and staff recommend APPROVAL
118. VACATION - PUBLIC HEARING - VAC-4071 - APPLICANT: WRG DESIGN, INC. - OWNER: PALM MORTUARY, INC. - Petition to Vacate Deer Springs Way between Jones Boulevard and Maverick Street; and Maverick Street between Deer Springs Way and Rome Boulevard, Ward 6 (Mack). Staff recommends DENIAL. The Planning Commission (5-0 vote) recommends APPROVAL
119. VACATION - PUBLIC HEARING - VAC-4700 - APPLICANT: INVESTORS REALTY GROUP - OWNER: CAMPBELL 2.5, LIMITED LIABILITY COMPANY AND CARL UNGER, ET AL - Petition to Vacate U.S. Government Patent Easements generally located west of Campbell Road, north of Cheyenne Avenue, Ward 4 (Brown). The Planning Commission (5-0 vote) and staff recommend APPROVAL
120. VACATION - PUBLIC HEARING - VAC-4707 - APPLICANT/OWNER: L M CLIFF'S EDGE, LIMITED LIABILITY COMPANY - Petition to Vacate U.S. Government Patent Easements generally located east of Puli Drive between Grand Teton Drive and Farm Road, Ward 6 (Mack). The Planning Commission (5-0 vote) and staff recommend APPROVAL
121. VACATION - PUBLIC HEARING - VAC-4710 - APPLICANT/OWNER: BACK AAG, LIMITED LIABILITY COMPANY - Petition to Vacate a portion of a twenty-foot (20') wide public sewer easement generally located south of Rancho Drive, east of Decatur Boulevard, Ward 5 (Weekly). The Planning Commission (5-0 vote) and staff recommend APPROVAL

## PLANNING & DEVELOPMENT DEPARTMENT – DISCUSSION

122. VACATION - PUBLIC HEARING - VAC-4711 - APPLICANT/OWNER: BACK AAG, LIMITED LIABILITY COMPANY, ET AL - Petition to Vacate a twenty-foot (20') wide construction easement generally located south of Rancho Drive, east of Decatur Boulevard, Ward 5 (Weekly). The Planning Commission (5-0 vote) and staff recommend APPROVAL
123. VACATION - PUBLIC HEARING - VAC-4722 - APPLICANT/OWNER: PULTE HOMES - Petition to Vacate public sewer and drainage easements generally located east of Buffalo Drive, south of Iron Mountain Road, Ward 6 (Mack). The Planning Commission (4-0-1 vote) and staff recommend APPROVAL
124. VACATION - PUBLIC HEARING - VAC-4737 - APPLICANT: CITY OF LAS VEGAS - OWNER: GRAND CANYON PARTNERS, LIMITED LIABILITY COMPANY - Petition to Vacate a portion of Tee Pee Lane, located approximately 1,350 feet north of Grand Teton Drive, Ward 6 (Mack). The Planning Commission (5-0 vote) and staff recommend APPROVAL
125. VACATION - PUBLIC HEARING - VAC-4745 - APPLICANT/OWNER: WARMINGTON HOMES NEVADA - Petition to Vacate a Bureau of Land Management Right-of-Way Grant Easement generally located west of Hualapai Way, south of Alexander Road, Ward 4 (Brown). The Planning Commission (5-0 vote) and staff recommend APPROVAL
126. VACATION - PUBLIC HEARING - VAC-4747 - APPLICANT/OWNER: M T C 118, INC. - Petition to Vacate the stubbed portion of Wittig Avenue east of Durango Drive, Ward 6 (Mack). The Planning Commission (3-2 vote) and staff recommend APPROVAL
127. VARIANCE - PUBLIC HEARING - VAR-4629 - APPLICANT/OWNER: DAY STAR VENTURE, LIMITED LIABILITY COMPANY - Request for a Variance TO ALLOW AN 11-FOOT REAR SETBACK WHERE 15 FEET IS REQUIRED ON LOT 40; A 10-FOOT REAR, 7-FOOT STREET SIDE, AND 5-FOOT FRONT AND STREET SETBACKS WHERE 15-FOOT REAR, 10-FOOT STREET SIDE AND 10-FOOT FRONT SETBACKS ARE REQUIRED ON LOT 41; AND A 7-FOOT FRONT SETBACK WHERE 10 FEET IS REQUIRED ON LOT 48 in the Day Dawn Fusion Subdivision adjacent to the southeast corner of Fort Apache Road and Alexander Road (APN 138-08-101-001), U (Undeveloped) Zone [L (Low Density Residential) General Plan Designation] under Resolution of Intent to R-PD5 (Residence Planned Development - 5 Units per Acre) Zone, Ward 4 (Brown). Staff recommends DENIAL. The Planning Commission (4-1 vote) recommends APPROVAL
128. VARIANCE - PUBLIC HEARING - VAR-4701 - APPLICANT: TERRIBLE HERBST, INC. - OWNER: RANCHO CIRCLE SHOPPING CENTER, LIMITED LIABILITY COMPANY - Request for a Variance TO ALLOW A PROPOSED 100-FOOT TALL FLAG POLE WHERE 40 FEET IS THE MAXIMUM HEIGHT ALLOWED at 2401 West Bonanza Road (APN 139-29-801-004), C-2 (General Commercial) Zone, Ward 5 (Weekly). Staff recommends DENIAL. The Planning Commission (3-1-1 vote) recommends APPROVAL
129. VARIANCE - PUBLIC HEARING - VAR-4720 - APPLICANT: ALBERTSONS, INC. - OWNER: FLAMINGO SEC PARTNERS, LIMITED LIABILITY COMPANY - Request for a Variance TO ALLOW 60 PARKING SPACES WHERE 79 SPACES IS THE MINIMUM REQUIRED in conjunction with a proposed retail building (Pharmacy) on 1.43 acres at 4800 West Charleston Boulevard (APN 138-36-804-009), C-1 (Limited Commercial) Zone, Ward 1 (Moncrief). Staff recommends DENIAL. The Planning Commission (5-0 vote) recommends APPROVAL
130. SPECIAL USE PERMIT RELATED TO VAR-4720 - PUBLIC HEARING - SUP-4719 - APPLICANT: ALBERTSONS INC. - OWNER: FLAMINGO SEC PARTNERS, LIMITED LIABILITY COMPANY - Request for a Special Use Permit FOR A PROPOSED GAMING ESTABLISHMENT, RESTRICTED on 1.43 acres at 4800 West Charleston Boulevard (APN 138-36-804-009), C-1 (Limited Commercial) Zone, Ward 1 (Moncrief). Staff recommends DENIAL. The Planning Commission (5-0 vote) recommends APPROVAL

## PLANNING & DEVELOPMENT DEPARTMENT – DISCUSSION

131. SITE DEVELOPMENT PLAN REVIEW RELATED TO VAR-4720 AND SUP-4719 - PUBLIC HEARING - SDR-4718 - APPLICANT: ALBERTSONS, INC. - OWNER: FLAMINGO SEC PARTNERS, LIMITED LIABILITY COMPANY - Request for a Site Development Plan Review and Waivers of Perimeter and Foundation Landscaping Standards, and of Building Placement Standards FOR A PROPOSED SINGLE-STORY, 13,848 SQUARE-FOOT RETAIL BUILDING (PHARMACY) on 1.43 acres at 4800 West Charleston Boulevard (APN 138-36-804-009), C-1 (Limited Commercial) Zone, Ward 1 (Moncrief). Staff recommends DENIAL. The Planning Commission (5-0 vote) recommends APPROVAL
132. VARIANCE - PUBLIC HEARING - VAR-4733 - APPLICANT: LAMAR ADVERTISING COMPANY - OWNER: D. 2801 WESTWOOD, INC. - Request for a Variance TO ALLOW AN EXISTING 34-FOOT TALL OFF-PREMISE ADVERTISING (BILLBOARD) SIGN TO BE RAISED TO 55 FEET WHERE 40 FEET IS THE MAXIMUM HEIGHT PERMITTED at 2801 Westwood Drive (APN 162-08-604-001), M (Industrial) Zone, Ward 1 (Moncrief). The Planning Commission (5-0 vote) and staff recommend DENIAL
133. REQUIRED FIVE-YEAR REVIEW - PUBLIC HEARING - RQR-4264 - APPLICANT: SENSATION SPAS OF NEVADA - OWNER: HOWARD JOHNSON - Required Six Month Review of an approved Special Use Permit (U-0052-02) WHICH ALLOWED AN OPEN AIR VENDING/ TRANSIENT SALES LOT at 3200 North Rancho Drive (APN 138-12-810-005), C-2 (General Commercial) Zone, Ward 6 (Mack). The Planning Commission (7-0 vote) and staff recommend DENIAL
134. SPECIAL USE PERMIT - PUBLIC HEARING - SUP-4541 - APPLICANT/OWNER: CAMINAR - LAS VEGAS - Request for a Special Use Permit FOR A PROPOSED CONVALESCENT CARE FACILITY/NURSING HOME at 2140 Vegas Drive (APN 139-20-802-007), U (Undeveloped) Zone [M (Medium Density Residential) General Plan Designation] under Resolution of Intent to R-2 (Medium-Low Density Residential) Zone, Ward 5 (Weekly). The Planning Commission (5-0 vote) and staff recommend APPROVAL
135. SPECIAL USE PERMIT - PUBLIC HEARING - SUP-4688 - APPLICANT: SHIPPY, LIMITED LIABILITY COMPANY - OWNER: MEYER & SYLVIA GOLD TRUST - Request for a Special Use Permit FOR A PROPOSED ANIMAL HOSPITAL adjacent to the south side of Charleston Boulevard, approximately 80 feet east of Wilshire Street (APN 163-01-502-002 and 003), C-1 (Limited Commercial) Zone, Ward 1 (Moncrief). The Planning Commission (5-0 vote) and staff recommend APPROVAL
136. SITE DEVELOPMENT PLAN REVIEW RELATED TO SUP-4688 - PUBLIC HEARING - SDR-4687 - APPLICANT: SHIPPY, LIMITED LIABILITY COMPANY - OWNER: MEYER & SYLVIA GOLD TRUST - Request for a Site Development Plan Review and a Waiver of building placement standards FOR A PROPOSED SINGLE-STORY 7,000 SQUARE-FOOT COMMERCIAL BUILDING on 0.66 acres adjacent to the south side of Charleston Boulevard approximately 80 feet east of Wilshire Street (APN 163-01-502-002 and 003), C-1 (Limited Commercial) Zone, Ward 1 (Moncrief). The Planning Commission (5-0 vote) and staff recommend APPROVAL
137. ABEYANCE ITEM - SPECIAL USE PERMIT - PUBLIC HEARING - SUP-2848 - REAGAN NATIONAL ADVERTISING ON BEHALF OF COG III, LIMITED - Appeal filed by Singer & Brown from the Denial by the Planning Commission on a request for a Special Use Permit for a proposed off-premise advertising (billboard) SIGN on a portion of 3.03 acres located at 1110 South Rainbow Boulevard (APN 163-02-101-002), C-1 (Limited Commercial) Zone, Ward 1 (Moncrief). The Planning Commission (6-0 vote) and staff recommend DENIAL
138. ABEYANCE ITEM - SPECIAL USE PERMIT - PUBLIC HEARING - SUP-3394 - LAS VEGAS BILLBOARDS ON BEHALF OF WEST SAHARA ASSOCIATES, LIMITED PARTNERSHIP - Appeal filed by LAS Consulting, Inc. from the Denial by the Planning Commission of a request for a Special Use Permit FOR A PROPOSED 40-FOOT TALL, 14-FOOT BY 48-FOOT OFF-PREMISE ADVERTISING (BILLBOARD) SIGN adjacent to the northeast corner of Torrey Pines Drive and Sahara Avenue (APN 163-02-816-001), C-1 (Limited Commercial) Zone, Ward 1 (Moncrief). The Planning Commission (6-0 vote) recommends DENIAL. Staff recommends APPROVAL

## PLANNING & DEVELOPMENT DEPARTMENT – DISCUSSION

139. ABEYANCE ITEM - SPECIAL USE PERMIT - PUBLIC HEARING - SUP-4172 - APPLICANT: LAS VEGAS BILLBOARDS - OWNER: SHAHRAM AND TAWNYA SHEIKHAN - Appeal filed by the applicant from the Denial by the Planning Commission of a request for a Special Use Permit FOR A PROPOSED OFF-PREMISE ADVERTISING (BILLBOARD) SIGN at 300 South Decatur Boulevard (APN 138-36-601-004), C-2 (General Commercial) Zone, Ward 1 (Moncrief). The Planning Commission (7-0 vote) recommends DENIAL. Staff recommends APPROVAL
140. ABEYANCE ITEM - SPECIAL USE PERMIT - PUBLIC HEARING - SUP-4532 - APPLICANT: LAS VEGAS BILLBOARDS - OWNER: SAHARA MOHAWK, LIMITED LIABILITY COMPANY - Appeal filed by the applicant from the Denial by the Planning Commission of a request for a Special Use Permit FOR A PROPOSED 40-FOOT TALL, 14-FOOT BY 48-FOOT OFF-PREMISE (BILLBOARD) SIGN at 5320 West Sahara Avenue (APN 163-01-804-005), C-1 (Limited Commercial) Zone, Ward 1 (Moncrief). The Planning Commission (7-0 vote) and staff recommend DENIAL
141. ABEYANCE ITEM - SPECIAL USE PERMIT - PUBLIC HEARING - SUP-4592 - APPLICANT: MOUNTAIN VIEW ESTATES - OWNER: JOHN HERDA - Request for a Special Use Permit FOR A 40 FOOT HIGH, 10 FOOT X 40 FOOT OFF-PREMISE ADVERTISING (BILLBOARD) SIGN at 2744 Highland Drive (APN 162-09-202-001), M (Industrial) Zone, Ward 1 (Moncrief). The Planning Commission (6-0 vote) and staff recommend APPROVAL
142. ABEYANCE ITEM - SPECIAL USE PERMIT - PUBLIC HEARING - SUP-4593 - APPLICANT: MOUNTAIN VIEW ESTATES - OWNER: S & K FAMILY TRUST - Request for a Special Use Permit FOR AN OFF-PREMISE ADVERTISING (BILLBOARD) SIGN at 1531 Western Avenue (APN 162-04-605-007), M (Industrial) Zone, Ward 1 (Moncrief). Staff recommends DENIAL. The Planning Commission (6-0 vote) recommends APPROVAL
143. ABEYANCE ITEM - SPECIAL USE PERMIT - PUBLIC HEARING - SUP-4594 - APPLICANT: MOUNTAIN VIEW ESTATES - OWNER: SAITTA FAMILY TRUST - Appeal filed by the applicant from the Denial by the Planning Commission of a request for a Special Use Permit FOR A 40 FOOT HIGH, 10 FOOT X 40 FOOT OFF-PREMISE ADVERTISING (BILLBOARD) SIGN at 2100 South Decatur Boulevard (APN 162-06-301-006), C-2 (General Commercial) Zone, Ward 1 (Moncrief). The Planning Commission (4-2 vote) and staff recommend DENIAL
144. SPECIAL USE PERMIT - PUBLIC HEARING - SUP-4683 - APPLICANT: REAGAN NATIONAL ADVERTISING OF NEVADA - OWNER: ANER IGLESIAS TRUST - Appeal filed by the applicant from the Denial by the Planning Commission on a request for a Special Use Permit FOR A PROPOSED 40-FOOT TALL, 14-FOOT BY 48-FOOT OFF-PREMISE ADVERTISING (BILLBOARD) SIGN at 840 North Decatur Boulevard (APN 138-30-301-002), C-1 (Limited Commercial) Zone, Ward 5 (Weekly). The Planning Commission (5-0 vote) and staff recommend DENIAL
145. SPECIAL USE PERMIT - PUBLIC HEARING - SUP-4689 - SPECIAL USE PERMIT - APPLICANT: LAS VEGAS BILLBOARDS - OWNER: JERRY APPELHANS AND DEBRA TENNARIELLO - Appeal filed by the applicant from the Denial by the Planning Commission on a request for a Special Use Permit FOR A PROPOSED 40-FOOT TALL, 14-FOOT BY 48-FOOT OFF-PREMISE ADVERTISING (BILLBOARD) SIGN at 1301 North Main Street (APN 139-27-502-007), C-M (Commercial/Industrial) Zone, Ward 5 (Weekly). The Planning Commission (4-1 vote) and staff recommend DENIAL
146. SPECIAL USE PERMIT - PUBLIC HEARING - SUP-4690 - APPLICANT: LAS VEGAS BILLBOARDS - OWNER: RICHARD E WILKIE REVOCABLE TRUST - Request for a Special Use Permit FOR A PROPOSED 40-FOOT TALL, 14-FOOT BY 48-FOOT OFF-PREMISE ADVERTISING (BILLBOARD) SIGN at 2001 Western Avenue (APN 162-04-703-010), M (Industrial) Zone, Ward 1 (Moncrief). The Planning Commission (5-0 vote) and staff recommend APPROVAL
147. SPECIAL USE PERMIT - PUBLIC HEARING - SUP-4693 - APPLICANT: ORION OUTDOOR MEDIA - OWNER: THOMAS J. OBATA - Appeal filed by the applicant from the Denial by the Planning Commission on a request for a Special Use Permit FOR A PROPOSED 40-FOOT TALL, 14-FOOT BY 48-FOOT OFF-PREMISE ADVERTISING (BILLBOARD) SIGN at 6431 West Charleston Boulevard (APN 163-02-114-003), C-1 (Limited Commercial) Zone, Ward 1 (Moncrief). The Planning Commission (5-0 vote) recommends DENIAL. Staff recommends APPROVAL

## PLANNING & DEVELOPMENT DEPARTMENT – DISCUSSION

148. SPECIAL USE PERMIT - PUBLIC HEARING - SUP-4739 - APPLICANT/OWNER: THIRD STREET PROMENADE, LIMITED LIABILITY COMPANY - Request for a Special Use Permit and a Waiver of the 1,500 foot distance separation requirement FOR A PROPOSED 10,000 SQUARE FOOT LIQUOR ESTABLISHMENT (TAVERN) at 201 North Third Street (APN 139-34-510-012), C-2 (General Commercial) Zone, Ward 5 (Weekly). (NOTE: To be heard in conjunction with Morning Session Item 80). The Planning Commission (5-0 vote) and staff recommend APPROVAL
149. SPECIAL USE PERMIT RELATED TO SUP-4739 - PUBLIC HEARING - SUP-4741 - APPLICANT/OWNER: THIRD STREET PROMENADE, LIMITED LIABILITY COMPANY - Request for a Special Use Permit and a Waiver of the 1,500 foot distance separation requirement FOR A 5,500 SQUARE FOOT PROPOSED LIQUOR ESTABLISHMENT (TAVERN) at 207 North Third Street (APN 139-34-510-013), C-2 (General Commercial) Zone, Ward 5 (Weekly). The Planning Commission (5-0 vote) and staff recommend APPROVAL
150. SPECIAL USE PERMIT RELATED TO SUP-4739 AND SUP-4741 - PUBLIC HEARING - SUP-4742 - APPLICANT/OWNER: THIRD STREET PROMENADE, LIMITED LIABILITY COMPANY - Request for a Special Use Permit and a Waiver of the 1,500 foot distance separation requirement FOR A PROPOSED 6,000 SQUARE FOOT LIQUOR ESTABLISHMENT (TAVERN) at 207-A North Third Street (APN 139-34-510-013), C-2 (General Commercial) Zone, Ward 5 (Weekly). The Planning Commission (5-0 vote) and staff recommend APPROVAL
151. SPECIAL USE PERMIT RELATED TO SUP-4739, SUP-4741 AND SUP-4742 - PUBLIC HEARING - SUP-4743 - APPLICANT: THIRD STREET PROMENADE, LIMITED LIABILITY COMPANY - OWNER: MARILYN L. MILLER - Request for a Special Use Permit and a Waiver of the 1,500 foot distance separation requirement FOR A PROPOSED 4,050 SQUARE FOOT LIQUOR ESTABLISHMENT (TAVERN) at 217 North Third Street (APN 139-34-510-015), C-2 (General Commercial) Zone, Ward 5 (Weekly). The Planning Commission (5-0 vote) and staff recommend APPROVAL
152. SPECIAL USE PERMIT - PUBLIC HEARING - SUP-4744 - APPLICANT/OWNER: HUBERT R. POWELL AND RENEE C. RAMBERG - Request for a Special Use Permit FOR A GUEST HOUSE ON A LOT WHOSE WIDTH IS LESS THAN 80 FEET, AND WHICH CONSISTS OF MORE THAN ONE OCCUPANT ROOM, A BATHROOM AND A WALK-IN CLOSET at 2808 Mason Avenue (APN 162-05-514-008), R-1 (Single-Family Residential) Zone, Ward 1 (Moncrief). Staff recommends DENIAL. The Planning Commission (5-0 vote) recommends APPROVAL
153. SPECIAL USE PERMIT - PUBLIC HEARING - SUP-4919 - APPLICANT: THE MASSAGE GROUP - OWNER: CITY OF LAS VEGAS REDEVELOPMENT AND FREMONT STREET EXPERIENCE, LLC - Request for a Special Use Permit FOR A PROPOSED MOBILE MASSAGE ESTABLISHMENT, WAIVER OF THE 1,000 FOOT DISTANCE SEPARATION REQUIREMENT FROM ANOTHER MASSAGE ESTABLISHMENT, AND A WAIVER OF THE RESTRICTIONS ON HOURS OF OPERATION within the Fremont Street Experience (APN 139-34-111-064), C-2 (General Commercial) Zone, Ward 1 (Moncrief). The Planning Commission (5-2 vote) and staff recommend APPROVAL. [NOTE: The correct Ward designations are Wards 1 and 5 (Moncrief and Weekly), Ward 5 (Weekly) did not appear on the notifications]
154. ABEYANCE ITEM - REZONING - PUBLIC HEARING - ZON-4368 - APPLICANT: CARINA HOMES - OWNERS: RONALD AND CAROLYN MICH'L - Request for a Rezoning FROM: U (UNDEVELOPED) [PCD (PLANNED COMMUNITY DEVELOPMENT) GENERAL PLAN DESIGNATION] TO: R-PD6 (RESIDENTIAL PLANNED DEVELOPMENT - 6 UNITS PER ACRE) on 10.52 acres adjacent to the northwest corner of Farm Road and Hualapai Way (APN 126-13-601-004, 006, 008 and 009), Ward 6 (Mack). The Planning Commission (6-0 vote) and staff recommend APPROVAL. [NOTE: This item will be amended to R-PD7 (Residential Planned Development – 7 Units per Acre)]
155. ABEYANCE ITEM - VACATION RELATED TO ZON-4368 - PUBLIC HEARING - VAC-4420 - APPLICANT: CARINA HOMES; OWNER: RON AND CAROLYN MICH'L, ET AL - Request for a Petition to vacate U. S. Government Patent Easements and the Donald Nelson Avenue Right of Way, generally located west of Hualapai Way, north of Farm Road, Ward 6 (Mack). The Planning Commission (6-0 vote) and staff recommend APPROVAL



## PLANNING & DEVELOPMENT DEPARTMENT – DISCUSSION

156. ABEYANCE ITEM - SITE DEVELOPMENT PLAN REVIEW RELATED TO ZON-4368 AND VAC-4420 - PUBLIC HEARING - SDR-4370 - APPLICANT: CARINA HOMES - OWNER: RONALD AND CAROLYN MICHL - Request for a Site Development Plan Review FOR A 73-LOT SINGLE-FAMILY RESIDENTIAL DEVELOPMENT on 10.52 acres adjacent to the northwest corner of Farm Road and Hualapai Way (APN 126-13-601-004, 006, 008 and 009), U (Undeveloped) Zone [PCD (Planned Community Development) General Plan Designation] [PROPOSED: R-PD6 (Residential Planned Development - 6 Units per Acre)], Ward 6 (Mack). The Planning Commission (6-0 vote) and staff recommend APPROVAL. [NOTE: This item will be amended to 69 lots PROPOSED: R-PD7 (Residential Planned Development - 7 Units per Acre)]
157. REZONING - PUBLIC HEARING - ZON-4208 - APPLICANT/OWNER: PARDEE HOMES OF NEVADA - Request for a Rezoning FROM: U (Undeveloped) Zone [TC (Town Center) General Plan Designation] TO: T-C (Town Center) on 29.14 acres adjacent to the southeast corner of North Tee Pee Lane and Severence Lane (APN 125-18-801-006, 008, 013, 014, 015 and 016), Ward 6 (Mack). The Planning Commission (5-0 vote) and staff recommend APPROVAL.
158. VARIANCE RELATED TO ZON-4208 - PUBLIC HEARING - VAR-4209 - APPLICANT/OWNER: PARDEE HOMES OF NEVADA - Request for a Variance TO ALLOW 0.93 ACRES OF OPEN SPACE WHERE 2.77 ACRES IS THE MINIMUM REQUIREMENT FOR A 168-LOT SINGLE FAMILY RESIDENTIAL DEVELOPMENT on 38.66 acres adjacent to the southeast corner of North Tee Pee Lane and Severence Lane (APN 125-18-801-006, 007, 008, 013, 014, 015 and 016), T-C (Town Center) Zone, U (Undeveloped) Zone [TC (Town Center) General Plan Designation] [PROPOSED: T-C (Town Center)], Ward 6 (Mack). The Planning Commission (5-0 vote) and staff recommend APPROVAL.
159. SPECIAL USE PERMIT RELATED TO ZON-4208 AND VAR-4209 - PUBLIC HEARING - SUP-4210 - APPLICANT/OWNER: PARDEE HOMES OF NEVADA - Request for a Special Use Permit TO ALLOW A GATED COMMUNITY WITH PRIVATE STREETS on 38.66 acres adjacent to the southeast corner of North Tee Pee Lane and Severence Lane (APN 125-18-801-006, 007, 008, 013, 014, 015 and 016), T-C (Town Center) Zone, U (Undeveloped) Zone [TC (Town Center) General Plan Designation] [PROPOSED: T-C (Town Center)], Ward 6 (Mack). The Planning Commission (5-0 vote) and staff recommend APPROVAL.
160. VACATION RELATED TO ZON-4208, VAR-4209 AND SUP-4210 - PUBLIC HEARING - VAC-4212 - APPLICANT/OWNER: PARDEE HOMES OF NEVADA - Petition to vacate U.S. Government Patent Easements generally located south of Severence Lane, west of Tee Pee Lane, Ward 6 (Mack). The Planning Commission (5-0 vote) and staff recommend APPROVAL.
161. SITE DEVELOPMENT PLAN REVIEW RELATED TO ZON-4208, VAR-4209 AND SUP-4210 AND VAC-4212 - PUBLIC HEARING - SDR-4214 - APPLICANT/OWNER: PARDEE HOMES OF NEVADA - Request for a Site Development Plan Review FOR A 168-LOT SINGLE FAMILY RESIDENTIAL DEVELOPMENT on 38.66 acres adjacent to the southeast corner of North Tee Pee Lane and Severence Lane (APN 125-18-801-006, 007, 008, 013, 014, 015 and 016), T-C (Town Center) Zone and U (Undeveloped) Zone [TC (Town Center) General Plan Designation] [PROPOSED: T-C (Town Center)], Ward 6 (Mack). The Planning Commission (5-0 vote) and staff recommend APPROVAL.
162. REZONING - PUBLIC HEARING - ZON-4699 - APPLICANT: INVESTORS REALTY GROUP - OWNERS: WEILAND TRUST B AND SAN GREGARIO, LIMITED LIABILITY COMPANY - Request for a Rezoning FROM: U (UNDEVELOPED) [O (OFFICE) GENERAL PLAN DESIGNATION] TO: O (OFFICE) on 2.5 acres adjacent to the northwest corner of Cheyenne Avenue and Campbell Road (APN 138-08-401-009), Ward 4 (Brown). The Planning Commission (5-0 vote) and staff recommend APPROVAL.
163. REZONING - PUBLIC HEARING - ZON-4746 - APPLICANT/OWNER: JACOB J. KIEFER - Request for a Rezoning FROM: R-E (Residence Estates) TO: R-1 (Single-Family Residential) on 1.45 acres adjacent to the northeast corner of Elkhorn Road and Unicorn Street (APN 125-13-801-011), Ward 6 (Mack). The Planning Commission (5-0 vote) and staff recommend DENIAL.

## PLANNING & DEVELOPMENT DEPARTMENT – DISCUSSION

164. REZONING - PUBLIC HEARING - ZON-4755 - APPLICANT: RICHMOND AMERICAN HOMES OF NEVADA, INC. - OWNER: CAN CAN II (KB) TARGETS, LIMITED PARTNERSHIP AND RONALD MICH'L AND CAROLYN MICH'L - Request for a Rezoning FROM: U (Undeveloped) [PCD (Planned Community Development) General Plan Designation] TO: R-PD7 (Residential Planned Development - 7 Units per Acre) on 10.57 acres adjacent to the southeast corner of Grand Teton Drive and Durango Drive (APN 125-16-101-001), Ward 6 (Mack). The Planning Commission (4-0-1 vote) and staff recommend APPROVAL
165. WAIVER RELATED TO ZON-4755 - PUBLIC HEARING - WVR-4774 - APPLICANT: RICHMOND AMERICAN HOMES OF NEVADA, INC. - OWNER: CAN CAN II (KB) TARGETS, LIMITED PARTNERSHIP AND RONALD MICH'L AND CAROLYN MICH'L - Request for a Waiver of Title 18.12.160 TO ALLOW A 204-FOOT SEPARATION DISTANCE BETWEEN INTERSECTIONS WHERE A MINIMUM OF 220 FEET IS REQUIRED when providing external access from a subdivision to an existing street having a right-of-way width of 60 feet or more, in conjunction with a proposed 74-lot single-family residential development on 10.57 acres adjacent to the southeast corner of Grand Teton Drive and Durango Drive (APN 125-16-101-001), U (Undeveloped) Zone [PCD (Planned Community Development) General Plan Designation] [PROPOSED: R-PD7 (Residential Planned Development - 7 Units per Acre)], Ward 6 (Mack). The Planning Commission (4-0-1 vote) and staff recommend APPROVAL
166. SITE DEVELOPMENT PLAN REVIEW RELATED TO ZON-4755 AND WVR-4774 - PUBLIC HEARING - SDR-4756 - APPLICANT: RICHMOND AMERICAN HOMES OF NEVADA, INC. - OWNER: CAN CAN II (KB) TARGETS, LIMITED PARTNERSHIP AND RONALD MICH'L AND CAROLYN MICH'L - Request for a Site Development Plan Review and a Waiver of the Perimeter Landscape Standards FOR A PROPOSED 74-LOT SINGLE-FAMILY RESIDENTIAL DEVELOPMENT on 10.57 acres adjacent to the southeast corner of Grand Teton Drive and Durango Drive (APN 125-16-101-001), U (Undeveloped) Zone [PCD (Planned Community Development) General Plan Designation] [PROPOSED: R-PD7 (Residential Planned Development - 7 Units per Acre)], Ward 6 (Mack). The Planning Commission (4-0-1 vote) and staff recommend APPROVAL
167. REZONING - PUBLIC HEARING - ZON-4216 - APPLICANT/OWNER: PARDEE HOMES OF NEVADA - Request for a Rezoning FROM: U (Undeveloped) [TC (Town Center) General Plan Designation] TO: T-C (Town Center) on 17.66 acres adjacent to the northwest corner of Deer Springs Way and Fort Apache Road (APN 125-19-602-001, 003 thru 011), Ward 6 (Mack). The Planning Commission (5-0 vote) and staff recommend APPROVAL
168. VACATION RELATED TO ZON-4216 - PUBLIC HEARING - VAC-4218 - APPLICANT/OWNER: PARDEE HOMES OF NEVADA - Petition to Vacate U.S. Government Patent Easements generally located south of Dorrell Lane, west of Chieftain Street, Ward 6 (Mack). The Planning Commission (5-0 vote) and staff recommend APPROVAL
169. SITE DEVELOPMENT PLAN REVIEW RELATED TO ZON-4216 AND VAC-4218 - PUBLIC HEARING - SDR-4220 - APPLICANT/OWNER: PARDEE HOMES OF NEVADA - Request for a Site Development Plan Review FOR A PROPOSED 92-LOT SINGLE-FAMILY RESIDENTIAL DEVELOPMENT on 17.66 acres adjacent to the northwest corner of Deer Springs Way and Fort Apache Road (APN 125-19-602-001, 003 thru 011), U (Undeveloped) Zone [TC (Town Center) General Plan Designation] [PROPOSED: T-C (Town Center) Zone], Ward 6 (Mack). The Planning Commission (5-0 vote) and staff recommend APPROVAL
170. ABEYANCE ITEM - GENERAL PLAN AMENDMENT - PUBLIC HEARING - GPA-4542 - APPLICANT: JOEL ARMSTRONG - OWNER: CLARK COUNTY - Request to Amend a portion of the Southeast Sector Plan of the General Plan FROM: ML (Medium-Low Density Residential) TO: MLA (Medium-Low Attached Density Residential) on 3.58 acres adjacent to the southeast corner of Lamb Boulevard and Bingham Avenue (APN 140-29-401-005 and 006), Ward 3 (Reese). Staff recommends DENIAL. The Planning Commission (7-0 vote) recommends APPROVAL
171. ABEYANCE ITEM - REZONING RELATED TO GPA-4542 - PUBLIC HEARING - ZON-4543 - APPLICANT: JOEL ARMSTRONG - OWNER: CLARK COUNTY - Request for a Rezoning FROM: R-1 (Single-Family Residential) TO: R-PD9 (Residential Planned Development - 9 Units Per Acre) on 3.58 acres adjacent to the southeast corner of Lamb Boulevard and Bingham Avenue (APN 140-29-401-005 and 006), Ward 3 (Reese). Staff recommends DENIAL. The Planning Commission (7-0 vote) recommends APPROVAL

## PLANNING & DEVELOPMENT DEPARTMENT – DISCUSSION

- 172.ABEYANCE ITEM - VARIANCE RELATED TO GPA-4542 AND ZON-4543 - PUBLIC HEARING - VAR-4547 - APPLICANT: JOEL ARMSTRONG - OWNER: CLARK COUNTY - Request for a Variance TO ALLOW AN R-PD (RESIDENTIAL PLANNED DEVELOPMENT) ZONING DISTRICT ON 3.58 ACRES WHERE 5.00 ACRES IS THE MINIMUM REQUIRED adjacent to the southeast corner of Lamb Boulevard and Bingham Avenue (APN 140-29-401-005 and 006), R-1 (Single-Family Residential) Zone [Proposed: R-PD9 (Residential Planned Development - 9 Units per Acre)], Ward 3 (Reese). Staff recommends DENIAL. The Planning Commission (7-0 vote) recommends APPROVAL
- 173.ABEYANCE ITEM - VARIANCE RELATED TO GPA-4542, ZON-4543 AND VAR-4547 - PUBLIC HEARING - VAR-4572 - APPLICANT: JOEL ARMSTRONG - OWNER: CLARK COUNTY - Request for a Variance TO ALLOW 12,000 SQUARE FEET OF OPEN SPACE WHERE 25,870 SQUARE FEET IS THE MINIMUM REQUIRED on 3.80 acres adjacent to the southeast corner of Lamb Boulevard and Bingham Avenue (APN 140-29-401-005 and 006), R-1 (Single-Family Residential) Zone, [Proposed: R-PD9 (Residential Planned Development - 9 Units per Acre)], Ward 3 (Reese). Staff recommends DENIAL. The Planning Commission (7-0 vote) recommends APPROVAL
- 174.ABEYANCE ITEM - SITE DEVELOPMENT PLAN REVIEW RELATED TO GPA-4542, ZON-4543, VAR-4547 AND VAR-4572 - PUBLIC HEARING - SDR-4545 - APPLICANT: JOEL ARMSTRONG - OWNER: CLARK COUNTY - Request for a Site Development Plan Review FOR A PROPOSED 35-LOT SINGLE-FAMILY RESIDENTIAL DEVELOPMENT on 3.58 acres adjacent to the southeast corner of Lamb Boulevard and Bingham Avenue (APN 140-29-401-005 and 006), R-1 (Single-Family Residential) Zone [Proposed: RPD-9 (Residential Planned Development - 9 Units per Acre)], Ward 3 (Reese). Staff recommends DENIAL. The Planning Commission (7-0 vote) recommend APPROVAL
- 175.GENERAL PLAN AMENDMENT - PUBLIC HEARING - GPA-4535 - APPLICANT: BLUE HERON PROPERTIES - OWNER: W. M. LAND DEVELOPMENT - Request to Amend a portion of the Southwest Sector Plan of the General Plan FROM: DR (Desert Rural Density Residential) TO: L (Low Density Residential) on 4.75 acres adjacent to the southeast corner of Buffalo Drive and Del Rey Avenue (APN 163-03-201-001 and 002), Ward 1 (Moncrief). The Planning Commission (5-0 vote) and staff recommend APPROVAL
- 176.VARIANCE RELATED TO GPA-4535 - PUBLIC HEARING - VAR-4536 - APPLICANT: BLUE HERON PROPERTIES - OWNER: W. M. LAND DEVELOPMENT - Request for a Variance TO ALLOW AN R-PD (RESIDENTIAL PLANNED DEVELOPMENT) ZONING DISTRICT ON 4.75 ACRES WHERE 5.00 ACRES IS THE MINIMUM REQUIRED adjacent to the southeast corner of Buffalo Drive and Del Rey Avenue (APN 163-03-201-001 and 002), R-E (Residence Estates) Zone [Proposed: R-PD5 (Residential Planned Development - 5 Units per Acre)], Ward 1 (Moncrief). The Planning Commission (5-0 vote) and staff recommend APPROVAL
- 177.REZONING RELATED TO GPA-4535 AND VAR-4536 - PUBLIC HEARING - ZON-4537 - APPLICANT: BLUE HERON PROPERTIES - OWNER: W. M. LAND DEVELOPMENT - Request for a Rezoning FROM: R-E (Residence Estates) TO: R-PD5 (Residential Planned Development - 5 Units per Acre) on 4.75 acres adjacent to the southeast corner of Buffalo Drive and Del Rey Avenue (APN 163-03-201-001 and 002), Ward 1 (Moncrief). The Planning Commission (5-0 vote) and staff recommend APPROVAL
- 178.WAIVER RELATED TO GPA-4535, VAR-4536, ZON-4537 AND VAR-4538 - PUBLIC HEARING - WVR-4748 - APPLICANT: BLUE HERON PROPERTIES - OWNER: W. M. LAND DEVELOPMENT - Request for a Waiver of Title 18.12.100 TO ALLOW A 33-FOOT PRIVATE STREET WHERE 39 FEET IS THE MINIMUM REQUIRED FOR PRIVATE STREETS WITH ROLLED CURBS on 4.75 acres adjacent to the southeast corner of Buffalo Drive and Del Rey Avenue (APN 163-03-201-001 and 002), R-E (Residence Estates) Zone [Proposed: R-PD5 (Residential Planned Development - 5 Units per Acre)], Ward 1 (Moncrief). The Planning Commission (5-0 vote) and staff recommend APPROVAL

## PLANNING & DEVELOPMENT DEPARTMENT – DISCUSSION

179. SITE DEVELOPMENT PLAN REVIEW RELATED TO GPA-4535, VAR-4536, ZON-4537, VAR-4538 AND WVR-4748 - PUBLIC HEARING - SDR-4539 - APPLICANT: BLUE HERON PROPERTIES - OWNER: W. M. LAND DEVELOPMENT - Request for a Site Development Plan Review FOR A PROPOSED 24-LOT SINGLE-FAMILY RESIDENTIAL DEVELOPMENT on 4.75 acres adjacent to the southeast corner of Buffalo Drive and Del Rey Avenue (APN 163-03-201-001 and 002), R-E (Residence Estates) Zone [Proposed: R-PD5 (Residential Planned Development - 5 Units per Acre)], Ward 1 (Moncrief). The Planning Commission (5-0 vote) and staff recommend APPROVAL
180. SET DATE ON ANY APPEALS FILED OR REQUIRED PUBLIC HEARINGS FROM THE CITY PLANNING COMMISSION MEETINGS, CENTENNIAL HILLS ARCHITECTURAL REVIEW COMMITTEE AND DANGEROUS BUILDING OR NUISANCE/LITTER ABATEMENTS

## ADDENDUM

## CITIZENS PARTICIPATION

PUBLIC COMMENT DURING THIS PORTION OF THE AGENDA MUST BE LIMITED TO MATTERS WITHIN THE JURISDICTION OF THE CITY COUNCIL. NO SUBJECT MAY BE ACTED UPON BY THE CITY COUNCIL UNLESS THAT SUBJECT IS ON THE AGENDA AND IS SCHEDULED FOR ACTION. IF YOU WISH TO BE HEARD, COME TO THE PODIUM AND GIVE YOUR NAME FOR THE RECORD. THE AMOUNT OF DISCUSSION ON ANY SINGLE SUBJECT, AS WELL AS THE AMOUNT OF TIME ANY SINGLE SPEAKER IS ALLOWED, MAY BE LIMITED

\*\*\*\*\*

THIS MEETING HAS BEEN PROPERLY NOTICED AND POSTED AT THE FOLLOWING LOCATIONS:

City Clerk's Bulletin Board, City Hall Plaza, 2nd Floor Skybridge  
Court Clerk's Office Bulletin Board, City Hall Plaza  
Las Vegas Library, 833 Las Vegas Boulevard North  
Clark County Government Center, 500 S. Grand Central Parkway  
Grant Sawyer Building, 555 E. Washington Avenue

**AGENDA SUMMARY PAGE**  
**CITY COUNCIL MEETING OF: SEPTEMBER 15, 2004**

**DEPARTMENT: PUBLIC WORKS**

**DIRECTOR: RICHARD D. GOECKE**

☒ **CONSENT** ☐ **DISCUSSION**

**SUBJECT:**

**RESOLUTIONS:**

**R-148-2004** - Approval of a Resolution amending Schedules 25-II, 35 MPH Speed Limits, and 25-IV, 45 MPH speed limits, to change the speed limit on Jones Boulevard between Farm Road and Grand Teton Drive from 45 MPH to 35 MPH - Ward 6 (Mack)

**Fiscal Impact**

☒ **No Impact**

**Amount:**

☐ **Budget Funds Available**

**Dept./Division:** Public Works/Traffic Eng.

☐ **Augmentation Required**

**Funding Source:**

**PURPOSE/BACKGROUND:**

Staff is requesting a decrease in the speed limit on Jones Boulevard between Farm Road and Grand Teton Drive from 45 mph to 35 mph. This section of Jones Boulevard is posted 45 mph but is not fully improved; there are intermittent stretches of saw tooth pavement. Staff recommends the 35 mph speed limit for safety reasons until the road is fully improved.

**RECOMMENDATION:**

Traffic and Parking Commission: Approval  
Staff: Approval

**BACKUP DOCUMENTATION:**

1. Map
2. Resolution No. R-148-2004

**MOTION:**

**REESE – APPROVED** Items 4-34, 36, 37, 39, 40, 42-54, and 56-72 – **UNANIMOUS** with **MACK** abstaining on Items 8 and 9 because they involve the Lady Luck Casino, with which his brother-in-law, Andrew Donner, has a contract related to its non-restricted gaming license

**Items 3, 35, 38 & 41:**

**APPROVED** under separate actions (see individual items)

**Item 55:**

**ABEYANCE** under separate action (see individual item)

**MINUTES:**

There was no related discussion.

(9:31 – 9:38)

1-815



GRAND TETON DR

WHISPERING SANDS DR

JONES BLVD

FARM RD



PROPOSED SPEED LIMIT CHANGE

064

**RESOLUTION NO. R-148-2004**

**WHEREAS**, various sections of TITLE 11 of the Las Vegas Municipal Code allow for additions to and corrections of the schedules which are established in the respective sections to be effected by Resolution; and

**WHEREAS**, it has been determined and recommended by the Traffic and Parking Commission and the City Traffic Engineer that the following additions and corrections be made in said schedules;

**NOW, THEREFORE**, be it resolved by the City Council of the City of Las Vegas, Nevada, that the following schedules pertaining to TITLE 11 of the City Code be amended as follows:

**Schedule 25-II** be amended to **delete** the following 35 MPH Speed Limit Zone:

| <u>STREET</u> | <u>FROM</u>       | <u>TO</u>    |
|---------------|-------------------|--------------|
| Jones Blvd    | Grand Teton Drive | Racel Street |

**Schedule 25-IV** be amended to **delete** the following 45 MPH Speed Limit Zone:

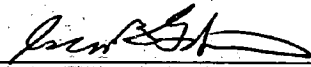
| <u>STREET</u> | <u>FROM</u> | <u>TO</u>         |
|---------------|-------------|-------------------|
| Jones Blvd    | Craig Road  | Grand Teton Drive |

**Schedule 25-II** be amended to **add** the following 35 MPH Speed Limit Zone:

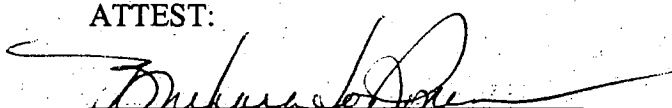
| <u>STREET</u> | <u>FROM</u> | <u>TO</u>    |
|---------------|-------------|--------------|
| Jones Blvd    | Farm Road   | Racel Street |

**Schedule 25-IV** be amended to **add** the following 45 MPH Speed Limit Zones:

| <u>STREET</u> | <u>FROM</u> | <u>TO</u> |
|---------------|-------------|-----------|
| Jones Blvd    | Craig Road  | Farm Road |

  
\_\_\_\_\_  
OSCAR GOODMAN, Mayor

ATTEST:

  
\_\_\_\_\_  
BARBARA JO RONEMUS, City Clerk

**AGENDA SUMMARY PAGE**  
**CITY COUNCIL MEETING OF: SEPTEMBER 15, 2004**

**DEPARTMENT: PUBLIC WORKS**

**DIRECTOR: RICHARD D. GOECKE**

☒

**CONSENT**

☐

**DISCUSSION**

**SUBJECT:**

**RESOLUTIONS:**

**R-149-2004** - Approval of a Resolution amending Schedules 25-II, 35 MPH Speed Limits, and 25-IV, 45 MPH Speed Limits, to change the speed limit on Durango Drive between Desert Inn Road and Sahara Avenue from 35 MPH to 45 MPH - Ward 2 (Wolfson)

**Fiscal Impact**

☒

**No Impact**

**Amount:**

☐

**Budget Funds Available**

**Dept./Division:** Public Works/Traffic Eng.

☐

**Augmentation Required**

**Funding Source:**

**PURPOSE/BACKGROUND:**

Staff is requesting an increase in the speed limit on Durango Drive between Desert Inn Road and Sahara Avenue from 35 mph to 45 mph. This stretch of Durango Drive is now fully improved. Speed studies have showed that the 85th percentile speed is 50 mph. The east side of Durango Drive is in the County, and the County has already posted this side at 45 mph.

**RECOMMENDATION:**

Traffic and Parking Commission: Approval

Staff: Approval

**BACKUP DOCUMENTATION:**

1. Map
2. Resolution No. R-149-2004
3. Submitted after Final Agenda - Comment letter from Charleston Neighborhood Preservation

**MOTION:**

**REESE – APPROVED** Items 4-34, 36, 37, 39, 40, 42-54, and 56-72 – **UNANIMOUS** with **MACK** abstaining on Items 8 and 9 because they involve the Lady Luck Casino, with which his brother-in-law, Andrew Donner, has a contract related to its non-restricted gaming license

**Items 3, 35, 38 & 41:**

**APPROVED** under separate actions (see individual items)

**Item 55:**

**ABEYANCE** under separate action (see individual item)

**MINUTES:**

There was no related discussion.

(9:31 – 9:38)

1-815





SAHARA AVE

45 MPH

CITY

STARBOARD AVE

EDNA AVE

DURANGO DR

CITY

COUNTY

DESERT INN RD

45 MPH



PROPOSED SPEED LIMIT CHANGE

065

**RESOLUTION NO. R-149-2004**

**WHEREAS**, various sections of TITLE 11 of the Las Vegas Municipal Code allow for additions to and corrections of the schedules which are established in the respective sections to be effected by Resolution; and

**WHEREAS**, it has been determined and recommended by the Traffic and Parking Commission and the City Traffic Engineer that the following additions and corrections be made in said schedules;

**NOW, THEREFORE**, be it resolved by the City Council of the City of Las Vegas, Nevada, that the following schedules pertaining to TITLE 11 of the City Code be amended as follows:

**Schedule 25-II** be amended to **delete** the following 35 MPH Speed Limit Zone:

| <u>STREET</u> | <u>FROM</u>     | <u>TO</u>     |
|---------------|-----------------|---------------|
| Durango Drive | Desert Inn Road | Sahara Avenue |

**Schedule 25-IV** be amended to **delete** the following 45 MPH Speed Limit Zone:

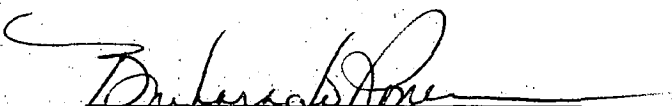
| <u>STREET</u> | <u>FROM</u>   | <u>TO</u>            |
|---------------|---------------|----------------------|
| Durango Drive | Sahara Avenue | Charleston Boulevard |

**Schedule 25-II** be amended to **add** the following 45 MPH Speed Limit Zones:

| <u>STREET</u> | <u>FROM</u>     | <u>TO</u>            |
|---------------|-----------------|----------------------|
| Durango Drive | Desert Inn Road | Charleston Boulevard |

ATTEST:

  
\_\_\_\_\_  
OSCAR GOODMAN, Mayor

  
\_\_\_\_\_  
BARBARA JO RONEMUS, City Clerk



## CHARLESTON NEIGHBORHOOD PRESERVATION

"Doing things today that will improve tomorrow"

PHONE/FAX: (702) 877-2438

**Protest**

14 September 2004

to: CLV Mayor GOODMAN and Councilpersons BROWN, MACK, MONCRIEF,  
REESE, WEEKLY and WOLFSON

Please consider the following concerns and address them regarding the several agenda items. We will be observing.

Councilpersons Moncrief and Weekly, Charleston Neighborhood Preservation eagerly awaits any Pioneer Trails action.

#50 & #51—Action at Mirabelli also eagerly welcomed.

#65—Councilman Wolfson, this "real world" change is welcomed.

#66—The DEVELOPMENT of the project and housing must incorporate the requests of the HOA people in the abutting area such as trees for screening for visual and noise abatement also, traffic control.

#83—No for this business at this location. Congestion here does not accommodate for customers of such business.

#87—Well, if Mayor & Council are happy, in this instance, Charleston Neighborhood Preservation will try to be happy.

#88—Yes, to CLV being the controlling entity. NO, to all Directors being appointed by any one person!

#95—NO, NO, NO. Residents are at this time, unable to vote for PLANNING commissioners, therefore, under no circumstances can you allow their vote to become the law of the land. Such a proposal is shocking in an American city government. If State law does suggest such action, such action must be removed. Mr. Genzer, we request an appointment with you to discuss this at your earliest convenience.

#104—Staff has made the best decision here. Preventing public access to streets paid for by them (us) leads to no favorable circumstances. We think that a granted "variance" has led to these subsequent requests. Closing Alta between Decatur and Buffalo would certainly quiet our neighborhood.

#107—You should go with denial. The parade of electeds to the stand during Plan. Commission do not even represent the area.

#129, 130, 131—We welcome Albertson's to this area.

### MEMBERS

Vicki Arnold - Junita Clark - Miriam Ezen - Marcour Gobel - Rose Hounath - June Ingram - Rick Johnson  
Gene & Pearl Louardo - Sherry Mason - Dorothy Orr - Barbara Roth - Layne Rushforth - Pamela Stange - Others

Submitted after final review

9/14/04 #65

RECEIVED  
CITY CLERK  
2004 SEP 15 A 10:33

Support

see p2 +

**AGENDA SUMMARY PAGE**  
**CITY COUNCIL MEETING OF: SEPTEMBER 15, 2004**

**DEPARTMENT: NEIGHBORHOOD SERVICES**

**DIRECTOR: ORLANDO SANCHEZ**

☒

**CONSENT**

☐

**DISCUSSION**

**SUBJECT:**

**REPORT FROM REAL ESTATE COMMITTEE - Councilwoman Moncrief and Councilman Wolfson**

Approval of an Assignment and Option Agreement with Affordable Housing Resource Council (AHRC) (the Assignor) and Silver Sky Assisted Living Limited Partnership (Assignee) to purchase approximately ten (10) acres of City of Las Vegas land located in the vicinity of Silver Sky Drive and Roland Wiley, Las Vegas, Nevada for development and construction of a senior assisted living project and senior housing - Ward 2 (Wolfson)

**Fiscal Impact**

☒

**No Impact**

**Amount:**

☐

**Budget Funds Available**

**Dept./Division:**

☐

**Augmentation Required**

**Funding Source:**

**PURPOSE/BACKGROUND:**

BLM conveyed this land to the CLV by legislation for affordable housing development. Through a Request for Application process, the Model Assisted Living Advisory Committee selected Affordable Housing Resource Council/Affirmative Investment to design, build & manage an assisted living facility to serve low-income seniors. 3/17/04 Council approved 3 options to purchase with AHRC. The Assignor desires that 3 Options become one option and be assigned to the Limited Partnership formed for this venture. Purchase is a requirement for receiving allocated tax credits & funding to build the project.

**RECOMMENDATION:**

The 9/14/2004 Real Estate Committee and staff recommend approval

**BACKUP DOCUMENTATION:**

1. Assignment and Option Agreement
2. Site Map
3. Submitted after Final Agenda - Comment letter from Charleston Neighborhood Preservation

**MOTION:**

**REESE – APPROVED** Items 4-34, 36, 37, 39, 40, 42-54, and 56-72 – **UNANIMOUS** with **MACK** abstaining on Items 8 and 9 because they involve the Lady Luck Casino, with which his brother-in-law, Andrew Donner, has a contract related to its non-restricted gaming license

**Items 3, 35, 38 & 41:**

**APPROVED** under separate actions (see individual items)

**Item 55:**

**ABEYANCE** under separate action (see individual item)

CITY COUNCIL MEETING OF SEPTEMBER 15, 2004

Consent – Real Estate

Item 66 - Approval of an Assignment and Option Agreement with Affordable Housing Resource Council (AHRC) (the Assignor) and Silver Sky Assisted Living Limited Partnership (Assignee) to purchase approximately ten (10) acres of City of Las Vegas land located in the vicinity of Silver Sky Drive and Roland Wiley, Las Vegas, Nevada for development and construction of a senior assisted living project and senior housing - Ward 2 (Wolfson)

**MINUTES:**

Under Item 3 (see Item 4), COUNCILWOMAN MONCRIEF reported that the Real Estate Committee met to review all of the Real Estate items on the consent agenda and joins with the recommendation of staff that the City Council approve each item.

(9:31 – 9:38)

1-815

## ASSIGNMENT AND OPTION AGREEMENT

THIS ASSIGNMENT AND OPTION AGREEMENT (this "Assignment") is made and entered into as of the 15 day of September 2004 (the "Effective Date"), by and between the City of Las Vegas, a municipal corporation of the State of Nevada (referred to as the "City"), Affordable Housing Resource Council, a non-profit, public benefit corporation (the "Assignor"), and Silver Sky Assisted Living, A Nevada Limited Partnership, a Nevada limited partnership (the "Assignee" and together with the City and the Assignor, the "Parties").

### RECITALS

WHEREAS, through Patent Number 27-2004-0042 (the "Patent"), the City was granted by the United States of America all the rights, privileges, immunities and appurtenances, of whatsoever nature, in and to that certain 10± acres of real property, as more particularly described on Exhibit A (the "Property"), where the Property is to be used for, or for purposes related to, affordable housing; and

WHEREAS, the Assignor entered into a single option agreement with the City dated as of March 19, 2003 (the "Original Option Agreement") with respect to the proposed purchase by the Assignor of the Property; and

WHEREAS, at the request of a prior proposed developer of the Property, the Assignor subsequently entered into three separate option agreements, all dated March 17, 2004, to replace the Original Option Agreement (the "Option Agreements"); and

WHEREAS, since the prior proposed developer of the Property is no longer involved in the development of the Property, the conditions and contingencies included in the Option Agreements are no longer applicable to the Project; and

WHEREAS, the Assignor desires to assign to the Assignee, and the Assignee desires to assume from the Assignor, all of the rights and obligations of the Assignor under the Option Agreements; and

WHEREAS, as part of the assignment from the Assignor to the Assignee, the City has agreed to amend and restate the Option Agreements in a form substantially similar to the Original Option Agreement.

NOW, THEREFORE, in consideration of the several and mutual promises, agreements, covenants, understandings, undertakings, representations and warranties hereinafter set forth, and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties agree that the Recitals are true and correct and by this reference incorporated herein as if fully set forth and the parties further covenant and agree as follows:

### 1. TERMS AND CONDITIONS

1.1. Assignment and Assumption. For valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Assignor does hereby convey, grant, bargain, sell, transfer, assign, deliver and confirm unto the Assignee, as of the Effective Date, all of the Assignor's rights, benefits, duties and obligations under the Option Agreements, and the Assignee agrees to assume all rights, benefits, duties and obligations of the Assignor under the Option Agreements.

duties and obligations under the Option Agreements, and the Assignee agrees to assume all rights, benefits, duties and obligations of the Assignor under the Option Agreements.

1.2. Consent; Amendment and Restatement. For valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the City hereby consents to the Assignor's assignment of the Option Agreements to the Assignee and hereby agrees to amend and restate the Option Agreements as provided for in this Assignment.

1.3. Disclosure of Principals. Pursuant to Resolution R-105-99 adopted by the City Council effective October 1, 1999, the Assignee warrants that it has disclosed, on the form attached hereto as Exhibit B, all principals, including, partners of the Assignee, as well as all persons and entities holding more than 1% interest in the Assignee or any principal of the Assignee. Throughout the term of this Assignment and until the exercise or the expiration of the Option, the Assignee shall notify the City in writing of any material change in the above disclosure within fifteen (15) days of any such change.

## 2. OPTION AGREEMENT

2.1. Grant of Option. For valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the City hereby grants to the Assignee the option to purchase the Property, upon all of the terms, covenants and conditions contained in this Assignment (the "Option").

2.2. Exercise. The Option may be exercised by the Assignee by providing notice of such exercise to the City no later than 12:00 pm, Las Vegas time, on October 31, 2004 (the "Exercise Date"), where such notice shall be accompanied by the exercise price of Ten Dollars (\$10.00) (the "Exercise Price") and the proposed development schedule for the Property (the "Development Schedule"). The Exercise Date may be extended by the Assignee for two (2) additional one (1) year periods by providing notice of such exercise to the City prior to the then effective Exercise Date and tendering the additional consideration of Ten Dollars (\$10.00) per extension (the "Extension Price"). In the event that the Assignee fails to exercise the Option in the manner set forth in this Section 2.2 by the Exercise Date, as extended, the Option shall automatically terminate without any notice to the Assignee and all rights of the Assignee in and to the Property shall then and there cease.

2.3. Disposition and Development. Upon exercise of the Option, the City and the Assignee shall use their reasonable best efforts to enter into a purchase and sale agreement with respect to the Property (the "DDA") no later than forty five (45) days after the exercise of the Option by the Assignee. The DDA shall provide for, among other things, the purchase price for the Property of One Dollar (\$1.00), the development of a 90-unit affordable assisted living facility which is consistent with the Patent (including, but not limited to, the Assignee's requirements for the conveyance of the Property, the investigations to be made by the Assignee on the Property, the approval of matters of title of the Property, the land use approvals and entitlement for the Property, the reversionary rights related to the Property and the escrow and closing instructions for the purchase and conveyance of the Property).

2.4. Possession and Risk of Loss. The City shall continue in possession of the Property until close of escrow as to be set forth in the DDA, and shall maintain the Property in its present condition, reasonable wear from ordinary use excepted. The City shall bear the risk of loss from fire or other casualty to the Property until the transfer of possession as provided in the DDA. The City shall maintain adequate insurance on the Property against loss, including extended coverage, during such period.

### 3. GENERAL PROVISIONS

3.1. Authority. Each Party to this Assignment represents and warrants that the person signing this Assignment has been duly authorized to do so by the Party and, if an entity, that all necessary steps have been taken by that Party's officers, directors, managers, general partners or other authorized persons to ratify and otherwise assent to this Assignment. Each of the signatories to this Assignment represents and warrants that he or she has full and complete authority to execute this Assignment on behalf of the party named immediately above his or her signature.

3.2. Further Assurances. Each Party hereto shall from and after the date hereof, upon the reasonable request of the other Party or Parties hereto, execute such other documents as such other Party or Parties may reasonably require to obtain the full benefit of this Assignment.

3.3. Entire Agreement; Amendment. No amendment or modification of this Assignment shall be deemed effective unless and until it is an express writing executed by all of the Parties. This Assignment contains the entire agreement between the Parties and cannot be changed or terminated unless in an express writing, executed by the Parties hereto.

3.4. Attorneys' Fees and Costs. The Parties agree that in the event of a dispute, arbitration by either Party in any dispute, arbitration or litigation concerning this Assignment, the losing Party or Parties shall pay the prevailing Party's reasonable attorneys' fees and costs in that dispute, arbitration or litigation.

3.5. Captions and Pronouns. The captions appearing at the commencement of the sections hereof are descriptive only and for convenience in reference to this Assignment and in no way whatsoever define, limit or describe the scope or intent of this Assignment nor in any way affect this Assignment.

3.6. Counterparts. This Assignment may be executed at different times and in multiple counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

3.7. Effect of Waiver. The waiver by either party of a breach of any provision of this Assignment shall not operate or be construed as a waiver of any subsequent breach thereof.

3.8. Governing Law; Venue. This Assignment shall be governed by and construed in accordance with the laws of the State of Nevada in effect on the date of this Assignment without resort to any conflict of laws principles, and the courts of the State of Nevada shall have sole and exclusive jurisdiction over any matter brought under, or by reason of, this Assignment.

3.9. Assignment. This Assignment may be assigned by the Assignee only upon the express written consent of the City, where such consent shall not be unreasonably withheld; provided, however, notwithstanding the foregoing, the Assignee is permitted to assign this Assignment to an affiliate or a non-profit corporation formed for the sole purposes of owning and operating the Property as long as the assignee agrees in writing to assume the rights and obligations of the Assignee as provided for in this Assignment.



3.10. Notice. Any and all notices required under this Assignment shall be in writing and shall be either (i) hand-delivered; (ii) mailed, first-class postage prepaid, certified mail, return receipt requested; (iii) transmitted via telecopier provided that confirmation is obtained; or (iv) delivered via a nationally recognized overnight courier service, addressed to:

|                 |                                                                                                                                                                                                                            |
|-----------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| City:           | City of Las Vegas<br>Real Estate and Asset Management<br>400 Stewart Avenue, 4th Floor<br>Las Vegas, Nevada 89101<br>Attention: David Roark<br>Facsimile: (702) 384-0527                                                   |
| With copy to:   | City of Las Vegas<br>Neighborhood Services Dept.<br>400 Stewart Ave., 2 <sup>nd</sup> Floor<br>Attention: Director<br>Facsimile: (702) 382-3045                                                                            |
| With a copy to: | City of Las Vegas<br>City Attorney's Office<br>400 Stewart Ave., 9 <sup>th</sup> Floor<br>Attention: Civil Division<br>Facsimile: (702) 386-1749                                                                           |
| Assignor:       | The Affordable Housing Research Council<br>1400 Wedekind Road, Suite 3<br>Reno, Nevada 89512<br>Attention: Jonnie Pullman<br>Facsimile: (775) 324-2553                                                                     |
| Assignee:       | Silver Sky Assisted Living, A Nevada Limited Partnership<br>c/o Silver Sky Assisted Living, LLC<br>33 Union Street<br>Boston, Massachusetts 02108<br>Attention: Affirmative Investments, Inc.<br>Facsimile: (617) 367-1133 |
| With copy to:   | Kummer Kaempfer Bonner & Renshaw<br>3800 Howard Hughes Parkway, Seventh Floor<br>Las Vegas, Nevada 89109<br>Attention: Robert C. Kim<br>Facsimile: (702) 796-7181                                                          |

All notices hand-delivered shall be deemed delivered as of the date actually delivered. All notices mailed or delivered via overnight courier shall be deemed delivered as of three (3) business days after the date postmarked. Any changes in any of the addresses listed herein shall be made by notice as provided in this Section.

3.11. Partial Invalidity. If any term, condition, covenant, or provision of this Assignment, or any application thereof, shall be held by a court of competent jurisdiction to be invalid, void or unenforceable, all provision, covenants, and conditions of this Assignment and applications thereof, not held invalid, void or unenforceable, shall continue in full force and effect and shall in no way be affected, impaired or invalidated thereby.

3.12. Survival of Representations and Warranties. All representations and warranties contained in this Assignment shall survive the execution and delivery of this Assignment.

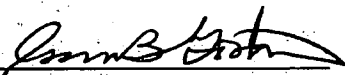
3.13 Neutral Interpretation. The provisions contained herein shall not be construed in favor of or against any Party because that Party or its counsel drafted this Assignment, but shall be construed as if all Parties prepared this Assignment, and any rules of construction to the contrary are hereby specifically waived. The terms of this Assignment were negotiated at arm's length by the Parties hereto.

...  
...  
...  
...

IN WITNESS WHEREOF, this Assignment and Option Agreement has been executed as of the date first set forth above.

"CITY"

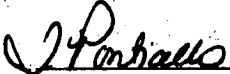
CITY OF LAS VEGAS

By:   
OSCAR B. GOODMAN, Mayor

ATTEST:

  
BARBARA JO RONEMUS, City Clerk

APPROVED AS TO FORM:

 9/1/04  
Date

"ASSIGNOR"

AFFORDABLE HOUSING RESOURCE COUNCIL

By:   
Its: President, Board of Trustees

"ASSIGNEE"

SILVER SKY ASSISTED LIVING, A NEVADA  
LIMITED PARTNERSHIP

By: SILVER SKY ASSISTED LIVING, LLC  
Its: General Partner

By: AFFIRMATIVE NEVADA LLC  
Its: Manager

By: AFFIRMATIVE INVESTMENTS, INC.  
Its: Manager

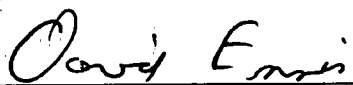
By:   
Its: President

**EXHIBIT A**

**REAL PROPERTY DESCRIPTION**

Mount Diablo Meridian, Nevada, T. 20 S., R. 60 E., Sec. 28, NW $\frac{1}{4}$ SE $\frac{1}{4}$ SW $\frac{1}{4}$

Containing 10 acres, more or less

**EXHIBIT B****DISCLOSURE OF PRINCIPALS**

The following is a list of the principals and partners of Silver Sky Assisted Living, A Nevada Limited Partnership (the "Assignee"), including all persons and entities holding more than a one percent (1%) interest in the Assignee.

| <b>NAME</b>                         | <b>BUSINESS ADDRESS</b>                                                   | <b>BUSINESS PHONE</b> | <b>RELATIONSHIP</b>                                                           |
|-------------------------------------|---------------------------------------------------------------------------|-----------------------|-------------------------------------------------------------------------------|
| Silver Sky Assisted Living, LLC     | 33 Union Street<br>Boston, Massachusetts 02108                            | 617-367-4300          | General Partner<br>(0.01%)                                                    |
| Affirmative Nevada LLC              | 33 Union Street<br>Boston, Massachusetts 02108                            | 617-367-4300          | Manager and 80% member of Silver Sky Assisted Living, LLC                     |
| Affordable Housing Resource Council | 1400 Wedekind Road, Suite 3<br>Reno, Nevada 89512<br>Attn: Jonnie Pullman | 775-324-1870          | Limited Partner<br>(99.99%) and 20% member of Silver Sky Assisted Living, LLC |
| Ernest Nielsen                      | 1400 Wedekind Road, Suite 3<br>Reno, Nevada 89512                         | 775-328-2592          | President of Affordable Housing Resource Council                              |
| Bob Rusk                            | 1400 Wedekind Road, Suite 3<br>Reno, Nevada 89512                         | 775-329-6411          | Secretary of Affordable Housing Resource Council                              |
| Jeff Ostomel                        | 1400 Wedekind Road, Suite 3<br>Reno, Nevada 89512                         | 775-850-5620          | Treasurer of Affordable Housing Resource Council                              |
| Steve Alastuey                      | 1400 Wedekind Road, Suite 3<br>Reno, Nevada 89512                         | 775-324-7385          | Director of Affordable Housing Resource Council                               |
| Tom Murtha                          | 1400 Wedekind Road, Suite 3<br>Reno, Nevada 89512                         | 775-950-1400          | Director of Affordable Housing Resource Council                               |
| Bob Nielsen                         | 1400 Wedekind Road, Suite 3<br>Reno, Nevada 89512                         | 775-825-0999          | Director of Affordable Housing Resource Council                               |

The undersigned hereby certifies, under penalty of perjury, that the foregoing list is full and complete.

**SILVER SKY ASSISTED LIVING, A NEVADA LIMITED PARTNERSHIP**

By: SILVER SKY ASSISTED LIVING, LLC  
Its: General Partner

By: AFFIRMATIVE NEVADA LLC  
Its: Manager

By: AFFIRMATIVE INVESTMENTS, INC.  
Its: Manager

By: David Ennis  
Its: David Ennis  
President

Subscribed and sworn to before me this  
31st day of August, 2004.

Gerald M. Comeau  
Notary Public



GERALYN M. COMEAU  
Notary Public  
Commonwealth of Massachusetts  
My Commission Expires  
January 8, 2010



## Site Map

### Legend

- Street Centerline
- Parcels
- scl\_majors
- Leased
- Applied
- USA
- City of Las Vegas

Real Estate & Asset Mgmnt



9/1/2004



## CHARLESTON NEIGHBORHOOD PRESERVATION

"Doing things today that will improve tomorrow"

PHONE/FAX: (702) 877-2438

**Protest**

14 September 2004

to: CLV Mayor GOODMAN and Councilpersons BROWN, MACK, MONCRIEF,  
REESE, WEEKLY and WOLFSON

Please consider the following concerns and address them regarding the several agenda items. We will be observing.

Councilpersons Moncrief and Weekly, Charleston Neighborhood Preservation, eagerly awaits any Pioneer Trails action.

#50 & #51—Action at Mirabelli also eagerly welcomed.

#65—Councilman Wolfson, this "real world" change is welcomed.

#66—The DEVELOPMENT of the project and housing must incorporate the requests of the HOA people in the abutting area such as trees for screening for visual and noise abatement also, traffic control.

#83—No for this business at this location. Congestion here does not accommodate for customers of such business.

#87—Well, if Mayor & Council are happy, in this instance, Charleston Neighborhood Preservation will try to be happy.

#88—Yes, to CLV being the controlling entity. NO, to all Directors being appointed by any one person!

#95—NO, NO, NO. Residents are at this time, unable to vote for PLANNING commissioners, therefore, under no circumstances can you allow their vote to become the law of the land. Such a proposal is shocking in an American city government. If State law does suggest such action, such action must be removed. Mr. Genzer, we request an appointment with you to discuss this at your earliest convenience.

#104—Staff has made the best decision here. Preventing public access to streets paid for by them (us) leads to no favorable circumstances. We think that a granted "variance" has led to these subsequent requests. Closing Alta between Decatur and Buffalo would certainly quiet our neighborhood.

#107—You should go with denial. The parade of electeds to the stand during Plan. Commission do not even represent the area.

#129, 130, 131—We welcome Albertson's to this area.

### MEMBERS

Vicki Arnold - Juanita Clark - Miriam Ben - Marcus Gobe - Rose Hornath - June Ingram - Rick Johnson  
Gene & Pearl Louardo - Sherry Mason - Dorothy Orr - Barbara Roth - Layne Rushforth - Pamela Stapp, etc. Others

RECEIVED  
CITY CLERK  
004 SEP 15 A 10 3

**Supp**

see p2 +

9/15/04 Item #66



**AGENDA SUMMARY PAGE**  
**CITY COUNCIL MEETING OF: SEPTEMBER 15, 2004**

---

**DEPARTMENT: PUBLIC WORKS****DIRECTOR: RICHARD D. GOECKE**☒**CONSENT**☐**DISCUSSION****SUBJECT:**

REPORT FROM REAL ESTATE COMMITTEE - Councilwoman Moncrief and Councilman Wolfson

Approval of a Grant, Bargain and Sale Deed from Astoria Lone Mountain 30, LLC, to the City of Las Vegas for approximately 21,000 square feet of land in the vicinity of Gilmore Avenue on APN 137-12-201-014 - Ward 4 (Brown)

**Fiscal Impact**☒**No Impact****Amount:**☐**Budget Funds Available****Dept./Division: Public Works/Real Estate**☐**Augmentation Required****Funding Source:****PURPOSE/BACKGROUND:**

Astoria Lone Mountain 30, LLC, is requesting to deed approximately 21,000 square feet of land on APN 137-12-201-014 to the City. This is an unusable remnant piece of land to Astoria. The Grant, Bargain and Sale Deed would give support to the City should the City decide to extend Gilmore Avenue.

**RECOMMENDATION:**

The 9/14/2004 Real Estate Committee and staff recommend approval.

**BACKUP DOCUMENTATION:**

1. Grant, Bargain and Sale Deed
2. Site map
3. Disclosure of Principals

**MOTION:**

**REESE – APPROVED** Items 4-34, 36, 37, 39, 40, 42-54, and 56-72 – **UNANIMOUS** with **MACK** abstaining on Items 8 and 9 because they involve the Lady Luck Casino, with which his brother-in-law, Andrew Donner, has a contract related to its non-restricted gaming license

**Items 3, 35, 38 & 41:**

**APPROVED** under separate actions (see individual items)

**Item 55:**

**ABEYANCE** under separate action (see individual item)

**MINUTES:**

Under Item 3 (see Item 4), COUNCILWOMAN MONCRIEF reported that the Real Estate Committee met to review all of the Real Estate items on the consent agenda and joins with the recommendation of staff that the City Council approve each item.

(9:31 – 9:38)

1-815

A.P.N.: Ptn of 137-12-201-014

R.P.T.T.: EXEMPT

**When Recorded Mail To:**

ASTORIA LONE MOUNTAIN 30 LLC  
9555 Del Webb Blvd.  
Las Vegas, NV 89134

**Mail Tax Statements To:**

The City of Las Vegas  
400 Stewart Ave., 4<sup>th</sup> Floor  
Las Vegas, NV 89101

***GRANT, BARGAIN and SALE DEED***

*FOR A VALUABLE CONSIDERATION*, receipt of which is hereby acknowledged,

**Astoria Lone Mountain 30, LLC, a Nevada Limited Liability Company**

do(es) hereby *GRANT, BARGAIN and SELL* to

**The City of Las Vegas, a Municipal Corporation of the State of Nevada**

the real property situate in the County of Clark, State of Nevada, described as follows:

**Lot CLV-1 In Astoria at Lone Mountain Final Map Book 118 Page 0004  
recorded June 30, 2004.**

Subject to:

1. All general and special taxes for the current fiscal year.
2. Covenants, Conditions, Restrictions, Reservations, Rights, Rights of Way and Easements now of record.

*TOGETHER* with all tenements, hereditaments and appurtenances, including easements and water rights, if any, thereto belonging or appertaining, and any reversions, remainders, rents, issues or profits thereof.

ASTORIA LONE MOUNTAIN 30, LLC, A NEVADA  
LIMITED LIABILITY COMPANY

By: [Signature]  
Its: President

STATE OF        **NEVADA**        )  
                                                      : ss.  
COUNTY OF    **CLARK**        )

This instrument was acknowledged before me on August 11, 2004 by  
Thomas McCormick as President of  
Astoria Lone Mountain 30, LLC, a Nevada Limited Liability Company.

[Signature]  
NOTARY PUBLIC  
(My commission expires: 8/12/08)



THIS INSTRUMENT IS ACCEPTED AND APPROVED AS TO FORM AND CONTENT

THE CITY OF LAS VEGAS

BY: [Signature]  
OSCAR GOODMAN, MAYOR

ATTEST:

BY: [Signature]  
BARBARA JO RONEMUS, CITY CLERK

APPROVED AS TO FORM:  
[Signature]  
Date: 8-31-04

N11°39'16"W (R)  
N11°45'19"W (R)

$\Delta = 1^{\circ}00'06".03"$   
 $R = 2520.50'$   
41  $L = 4.43'$   
 $T = 2.22'$   
40



SCALE: 1" = 100'

S87°50'57"W 677.82'

"CLV-1"  
21,587 S.F.

$\Delta = 9^{\circ}36'16"$   $R = 2979.50'$   
 $L = 499.46'$   $T = 250.31'$

39  
38  
37  
36  
35  
34  
33  
32  
31  
30  
29

DANIELSON AVENUE

GILMORE CHANNEL DRAINAGE  
RIGHT-OF-WAY DEDICATED  
PER OR: 20040602: 01289,  
RECORDED JUNE 02, 2004.

N87°50'57"E  
77.71'

S00°38'28"E  
37.74'

CLOUDLAND CANYON STREET

$\Delta = 05^{\circ}28'58"$   
 $R = 1042.50'$   
 $L = 99.76'$   
 $T = 49.92'$

25 24

N03°19'55"E  
(R)

COMMON ELEMENT "1H"  
HILLCREST AT LONE  
MOUNTAIN WEST - UNIT 1  
BOOK 100, PAGE 97  
OF PLATS

GILMORE AVENUE  
PUBLIC STREET

PUBLIC DRAINAGE  
RIGHT-OF-WAY DEDICATED  
PER BOOK 100, PAGE 97  
OF PLATS

NW 1/16



**G.C. WALLACE, INC.**  
Engineers/Planners/Surveyors  
1555 SOUTH RAINBOW BLVD., LAS VEGAS, NEVADA 89146



## Site Map

### Legend

- Street Centerline
- Parcels
- scl\_majors
- Leased
- Applied
- USA
- Astoria Lone Mountain

Real Estate & Asset Mgmnt



8/25/2004

**CERTIFICATE – DISCLOSURE OF OWNERSHIP/PRINCIPALS  
(CONTINUED)**

|                                                                                                                                                                                                                       |                                                                                                           |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------|
| <b>Block 1 Contracting Entity (Name)</b><br><br>Astoria Lone<br>Mountain 30,<br>LLC<br><hr/> <b>Name</b><br><hr/> <b>Address</b> 9555 Del Webb Blvd<br>LV NV 89134<br><hr/> <b>EIN or Social Security #</b> - - - - - | <b>Block 2 Description</b><br><br>Subject Matter of<br>Contract Agreement<br>Grant, Bargain and Sale Deed |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------|

|                                                                                                                                                                                                                                                                                                                                                                 |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Block 3 Type of Business</b><br><br><div style="display: flex; justify-content: space-between; align-items: center;"> <span><input type="checkbox"/> Individual</span> <span><input type="checkbox"/> Partnership</span> <span><input checked="" type="checkbox"/> Limited Liability Company</span> <span><input type="checkbox"/> Corporation</span> </div> |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|

| <b>Block 4 Disclosure of Ownership and Principals</b><br>In the space below, the Contracting Entity must disclose all principals (including partners) of the Contracting Entity, as well as persons or entities holding more than one-percent (1%) ownership interest in the Contracting Entity. |                                                           |                                   |                |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------|-----------------------------------|----------------|
|                                                                                                                                                                                                                                                                                                  | FULL NAME/TITLE                                           | BUSINESS ADDRESS                  | BUSINESS PHONE |
| 1.                                                                                                                                                                                                                                                                                               | Monument Capital, Inc 40%<br>Thomas McCormick / President | 9555 Del Webb Blvd<br>LV NV 89134 | 702-257-1188   |
| 2.                                                                                                                                                                                                                                                                                               | Astoria corporation 10%<br>McCormick Family Trust         | 9555 Del Webb Blvd<br>LV NV 89134 | 702-257-1188   |
| 3.                                                                                                                                                                                                                                                                                               |                                                           |                                   |                |
| 4.                                                                                                                                                                                                                                                                                               |                                                           |                                   |                |
| 5.                                                                                                                                                                                                                                                                                               |                                                           |                                   |                |
| 6.                                                                                                                                                                                                                                                                                               |                                                           |                                   |                |
| 7.                                                                                                                                                                                                                                                                                               |                                                           |                                   |                |
| 8.                                                                                                                                                                                                                                                                                               |                                                           |                                   |                |
| 9.                                                                                                                                                                                                                                                                                               |                                                           |                                   |                |
| 10.                                                                                                                                                                                                                                                                                              |                                                           |                                   |                |

The Contracting Entity shall continue the above list on a sheet of paper entitled "Disclosure of Principals – Continuation" until full and complete disclosure is made. If continuation sheets are attached, please indicate the number of sheets: \_\_\_\_\_

**Block 5** Disclosure of Ownership and Principals - Alternate

If the Contracting Entity, or its principals or partners, are required to provide disclosure (of persons or entities holding an ownership interest) under federal law (such as disclosure required by the Securities and Exchange Commission or the Employee Retirement Income Act), a copy of such disclosure may be attached to this Certificate in lieu of providing the information set forth in Block 4 above. A description of such disclosure documents must be included below.

Name of Attached Document: \_\_\_\_\_

Date of Attached Document: \_\_\_\_\_

Number of Pages: \_\_\_\_\_

I certify, under penalty of perjury, that all the information provided in this Certificate is current, complete, and accurate. I further certify that I am an individual authorized to contractually bind the above named Contracting Entity.

[Signature]

Name

8-30-04

Date

Subscribed and sworn to before me this 30  
day of

August, 2004.

Stacy Rainwater  
Notary Public



**AGENDA SUMMARY PAGE**  
**CITY COUNCIL MEETING OF: SEPTEMBER 15, 2004**

**DEPARTMENT: PUBLIC WORKS**

**DIRECTOR: RICHARD D. GOECKE**

☒

**CONSENT**

☐

**DISCUSSION**

**SUBJECT:**

REPORT FROM REAL ESTATE COMMITTEE - Councilwoman Moncrief and Councilman Wolfson

Approval of entering into negotiations with KB Homes to purchase a portion of APN 125-08-401-004 located at Grand Teton Drive and US-95 North from the City of Las Vegas (CLV) - Ward 6 (Mack)

**Fiscal Impact**

☒

**No Impact**

☐

**Budget Funds Available**

☐

**Augmentation Required**

**Amount:**

**Dept./Division: Public Works/Real Estate**

**Funding Source:**

**PURPOSE/BACKGROUND:**

CLV purchased the parcel 12/03 in conjunction with future roadway and Rights-of-Way for the Grand Teton overpass. KB Homes is interested in possibly developing a residential subdivision just north of this parcel. The parcel consists of approximately 6.23 acres. CLV needs approximately 2.0 acres for Right-of-Way purposes and wishes to attempt to sell the excess for housing development.

**RECOMMENDATION:**

The 9/14/2004 Real Estate Committee and staff recommend approval.

**BACKUP DOCUMENTATION:**

Site Map

**MOTION:**

**REESE – APPROVED** Items 4-34, 36, 37, 39, 40, 42-54, and 56-72 – **UNANIMOUS** with **MACK** abstaining on Items 8 and 9 because they involve the Lady Luck Casino, with which his brother-in-law, Andrew Donner, has a contract related to its non-restricted gaming license

**Items 3, 35, 38 & 41:**

**APPROVED** under separate actions (see individual items)

**Item 55:**

**ABEYANCE** under separate action (see individual item)

**MINUTES:**

Under Item 3 (see Item 4), COUNCILWOMAN MONCRIEF reported that the Real Estate Committee met to review all of the Real Estate items on the consent agenda and joins with the recommendation of staff that the City Council approve each item.

(9:31 – 9:38)

1-815





## Site Map

### Legend

-  Street Centerline
-  Parcels
-  scl\_majors
-  City of Las Vegas

Real Estate & Asset Mgmt



8/26/2004

**AGENDA SUMMARY PAGE**  
**CITY COUNCIL MEETING OF: SEPTEMBER 15, 2004**

**DEPARTMENT: PUBLIC WORKS**

**DIRECTOR: RICHARD D. GOECKE**

☒

**CONSENT**

☐

**DISCUSSION**

**SUBJECT:**

**REPORT FROM REAL ESTATE COMMITTEE - Councilwoman Moncrief and Councilman Wolfson**

Approval of Interlocal Agreement 110273 between the City of Las Vegas and the Las Vegas Valley Water District (LVVWD) for a water line extension on APN 139-27-708-008 commonly known as the Reed Whipple Cultural Center located at 821 North Las Vegas Boulevard - Ward 5 (Weekly)

**Fiscal Impact**

☒

**No Impact**

**Amount:**

☐

**Budget Funds Available**

**Dept./Division: Public Works/Real Estate**

☐

**Augmentation Required**

**Funding Source:**

**PURPOSE/BACKGROUND:**

A necessary part of this project is the installation of water service. Before LVVWD will sign the service connection documents and allow the City to install the water service, the Interlocal Agreement with conditional water commitment must be executed.

**RECOMMENDATION:**

The 9/14/2004 Real Estate Committee and staff recommend approval.

**BACKUP DOCUMENTATION:**

1. Interlocal Agreement 110273
2. Site Map

**MOTION:**

**REESE – APPROVED Items 4-34, 36, 37, 39, 40, 42-54, and 56-72 – UNANIMOUS with MACK abstaining on Items 8 and 9 because they involve the Lady Luck Casino, with which his brother-in-law, Andrew Donner, has a contract related to its non-restricted gaming license**

**Items 3, 35, 38 & 41:**

**APPROVED under separate actions (see individual items)**

**Item 55:**

**ABEYANCE under separate action (see individual item)**

**MINUTES:**

Under Item 3 (see Item 4), COUNCILWOMAN MONCRIEF reported that the Real Estate Committee met to review all of the Real Estate items on the consent agenda and joins with the recommendation of staff that the City Council approve each item.

(9:31 – 9:38)

1-815

- E. At CITY'S sole cost and expense to furnish all necessary materials, labor, and equipment for the construction of the service connections and appurtenances which may include, but not be limited to, the connection to the main and the lateral pipe, a meter, or battery thereof, a meter box or vault, valves, and backflow prevention assembly hereinafter called "WATER FACILITIES", from the main to the point where the water being delivered leaves the piping owned by the DISTRICT. The location and type of said WATER FACILITIES are identified on the plan entitled:

**REED WHIPPLE CULTURAL CENTER WATER LINE EXTENSION**  
Utility Plan

- F. That said WATER FACILITIES may be sized to ultimately provide water service to development other than described herein, however the conditional water commitment is only for that portion of the project described herein and any additional construction requires a separate and additional conditional water commitment from the DISTRICT.
- G. That said WATER FACILITIES shall be constructed in the location shown, and in accordance with the above-mentioned plan, as approved by the DISTRICT, and in conformance with DISTRICT specifications.
- H. That all work shall be subject to inspection and approval by an authorized representative of the DISTRICT and the DISTRICT shall be notified a minimum of 48 hours in advance of actual construction start and 24 hours prior to an inspection of any part of the work, in order that necessary inspection can be arranged.
- I. To comply with the DISTRICT'S Service Rules that are in force on the effective date of this Agreement including those sections pertaining to the water commitment process and construction of the WATER FACILITIES identified in Article I, paragraph E above.
- J. At CITY'S sole cost and expense, to perform all survey work necessary to ensure installation of the WATER FACILITIES to the location and grades called for in the plans.
- K. At CITY'S sole cost and expense, to disinfect and pressure test the WATER FACILITIES to the satisfaction of the DISTRICT and the health authorities having jurisdiction.
- L. That connections to existing mains shall be made only in the presence of an authorized representative of the DISTRICT and at the times specified by the DISTRICT.
- M. That the WATER FACILITIES shall be located outside of driveways, driveway approaches, or other areas subject to vehicular traffic. In the event the WATER FACILITIES are located within those areas either inadvertently or otherwise, the CITY shall cause such WATER FACILITIES to be relocated outside of the driveways, driveway approaches or other areas described above, in accordance with DISTRICT'S requirements, or shall reimburse the DISTRICT for the cost of relocating said WATER FACILITIES. If extraordinary conditions exist that would prevent compliance with this requirement, the CITY may submit to the DISTRICT a written request for a waiver of this requirement pursuant to the DISTRICT'S Service Rules.
- N. To furnish to the DISTRICT easements, in a form satisfactory to the DISTRICT, where WATER FACILITIES are approved to be installed in other than dedicated street or alleys. Said easements shall conform to the requirements as indicated on the approved water plans and be perpetual. The conditions of said easements shall be such that no buildings, structures, trees, shrubs, or other improvements which would interfere with its use by DISTRICT can be placed upon it, that DISTRICT will have the right to operate, maintain, repair, replace, and/or change the size and/or number of WATER FACILITIES; and that proper access to all parts of the easement by DISTRICT forces and equipment is provided. The conditions of said easements shall further provide that the property owner agrees to pay any and all costs incurred by the DISTRICT to make and/or maintain said easements accessible to the DISTRICT. It may be provided that other utility lines can be installed in said easement, so long as they do not interfere with its use by DISTRICT, and are in compliance with state laws and regulations.

- O. Should any defective material or workmanship affecting the WATER FACILITIES installed by the CITY be disclosed within one (1) year of the date of completion and acceptance of the WATER FACILITIES by the DISTRICT, the CITY shall immediately cause the defect to be corrected, or shall reimburse DISTRICT for its cost to correct said defect. For the purpose of this Agreement, failures including, but not limited to, any leak or break in the WATER FACILITIES, or any pavement settlement, shall be considered conclusive evidence of defective materials and/or workmanship.
- P. That upon completion of construction of the work and acceptance of the work by the DISTRICT, the CITY will provide final acceptance of all work associated with the project and the final acceptance shall include providing the DISTRICT with all its right, title, and interest, in and to the WATER FACILITIES. The CITY will warrant at the time of said final acceptance that there are no encumbrances for material and labor claims.
- Q. That installation of said WATER FACILITIES does not assure or guarantee that a complete water service will be available in the future. Until such time as a complete service connection is approved by the DISTRICT and a water commitment is obtained from the DISTRICT, no water may be taken from the new WATER FACILITIES installed under this Agreement.
- R. That all water will be taken through metered service connections, in accordance with DISTRICT'S Service Rules. The CITY will require its contractor to install the meters in a timely manner.
- S. To require its contractor to protect all existing water facilities during construction and to promptly undertake the repair of damaged facilities upon authorization of the DISTRICT.
- T. The District, its officers and employees shall be immune for any breach of this Agreement caused by an incorrect date being produced, calculated or generated by a computer or other information system that is owned or operated by the District, its officers or employees, regardless of the cause of the error (reference NRS 41.0321).

## ARTICLE II

### DISTRICT AGREES:

- A. That upon completion of construction of the WATER FACILITIES, acceptance of same by the DISTRICT, and fulfillment by the CITY of all requirements of this Agreement, to supply water to, and to thereafter operate and maintain the WATER FACILITIES installed pursuant to this Agreement in accordance with the DISTRICT'S Service Rules as the same are established and amended.
- B. That construction water may be provided through metered fire hydrants and/or metered service connections in accordance with the DISTRICT'S Service Rules.
- C. Upon receipt of Frontage Connection Charges from others, to refund to the Developer all Frontage Connection Charges received in accordance with the District's Service Rules for direct connections to the water main(s) installed under this Agreement up to a maximum amount of Fourteen Thousand Two Hundred Fourteen and no/100\*\*\*\*\*dollars (\$14,214.00) or for a period of ten (10) years from the effective date of this Agreement, whichever occurs first. This right to a refund is not to be construed as a guarantee or a promise by the District that the District will receive or elect to receive frontage connection charges that are refundable to the Developer.

## ARTICLE III

### IT IS MUTUALLY AGREED:

- A. That the parties understand that this Agreement does not create "water rights", but only rights to conditional water service as a potential customer. This Agreement does not create a property interest in such water service and the CITY is not deemed a DISTRICT water customer until the water facilities and development identified herein are completed as specified.

- B. That the WATER FACILITIES installed under this Agreement shall be and remain the exclusive property of the DISTRICT, and shall become a part of the DISTRICT'S general water distribution system after acceptance by the District.
- C. That in the event a portion of the WATER FACILITIES are constructed but this Agreement terminates, the above described property shall have no water commitment by virtue of the installation of the WATER FACILITIES. Requests for future use of said WATER FACILITIES if retained in place, shall require that a new water commitment be obtained before the WATER FACILITIES can be utilized.
- D. That this Agreement shall terminate and the conditional commitment shall be void if any of the following occurs:
  - 1. Construction of the water facilities covered by the plan or plans identified in Article I, paragraph E of this Agreement is not diligently commenced within one (1) year from the date of DISTRICT approval of said plan or plans; or
  - 2. If active construction work is discontinued for a period of one (1) year; or if such construction is commenced within said one (1) year period, but is not diligently prosecuted to completion in a manner acceptable to the DISTRICT.
- E. That if this Agreement terminates in accordance with its terms, right, title and interest of all or any portion of the WATER FACILITIES installed, as determined solely and exclusively by the DISTRICT, shall become the exclusive property of the DISTRICT for the DISTRICT to use, modify, or to dispose of as the DISTRICT deems appropriate.
- F. That noncompliance or violation of the DISTRICT'S Service Rules or any provision of this Agreement by the CITY or its officers, employees, agents, contractors, licensees or invitees shall be cause for the District, at its sole discretion, to discontinue water service to CITY'S project without challenge by CITY and without liability for any damages caused by said discontinuation.
- G. That the CITY, <sup>Without waiving the limits of NRS Chapter 41,</sup> will be responsible for any loss, damage, liability, cost or expense, except those exempted by law, caused by the actions or inactions of its employees, consultants, contractors, or agents arising under this Agreement, to the extent permitted by law including, but not limited to the provisions in NRS Chapter 41. The CITY shall protect, indemnify, and hold the DISTRICT, its officers, employees, and agents harmless from and against any and all claims, damages, losses, expenses, suits, actions, judgements, and awards including attorney's fees and court costs which may be brought against it or them as a result of or by reason of or arising out of or as a consequence of the construction of the WATER FACILITIES contemplated in this Agreement.
- H. That this Agreement shall not be deemed to be for the benefit of any entity or person who is not a party hereto, and is not a commitment for water service, and neither this Agreement, nor any interest therein, may be assigned without the prior written consent of the non-assigning party.
- I. That this Agreement represents the entire understanding of the CITY and the DISTRICT relative to the installation of the WATER FACILITIES in conjunction with the CITY'S project.
- J. That should any part of this Agreement be rendered void, invalid, or unenforceable by any court of law, for any reason, such determination shall not render void, invalid, or unenforceable, any other part of this Agreement.
- K. That the laws of the State of Nevada will govern as to the interpretation, validity, and effect of this Agreement.
- L. That each party shall not discriminate against employees or applicants based on race, color, religion, sex, age, or national origin, and shall take affirmative action to ensure that applicants are employed and employees are treated without regard to the above-mentioned factors and agrees to post in conspicuous places for employees and applicants' notices provided by the Federal Civil Rights Commission setting forth these provisions. Each party further agrees that solicitation for employees shall state that qualified applicants will receive consideration without regard to the above-mentioned factors and will send to labor

unions or collectives with which he/it has an agreement a notice of the commitments required herein and each party will comply with all local, state and federal laws prohibiting discrimination in hiring or employment opportunities.

IN WITNESS WHEREOF, the parties hereto have entered into this Interlocal Agreement on the 17<sup>th</sup> day of February, 2005.

APPROVED AS TO FORM:

Robert S. Sylvain 1-11-05  
City Attorney

ATTEST:

Barbara Jo Ronemus  
BARBARA JO RONEMUS, City Clerk

CITY OF LAS VEGAS

BY: Oscar B. Goodman  
OSCAR B. GOODMAN, Mayor

ATTEST:

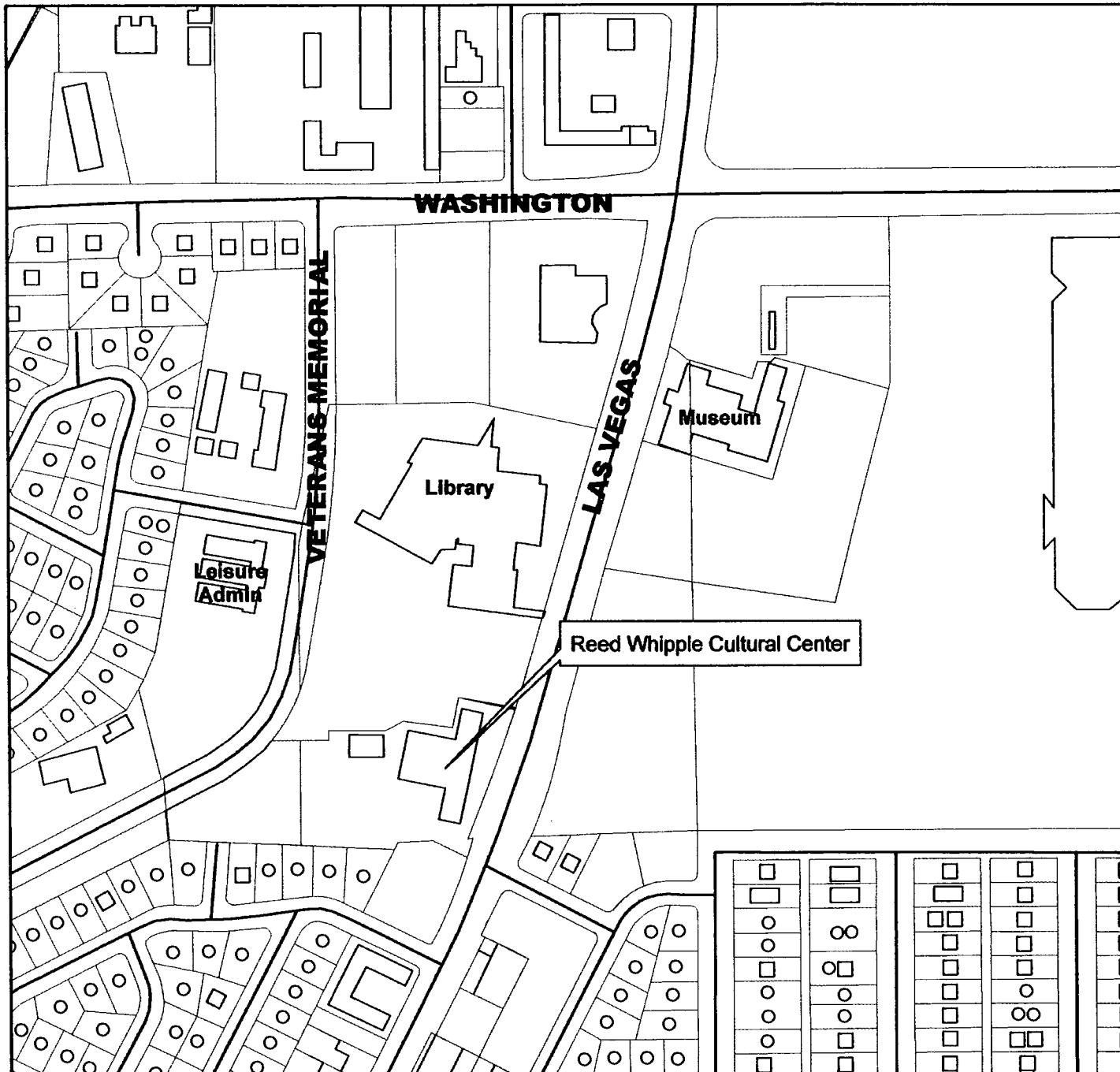
Patricia Mulroy  
PATRICIA MULROY, Secretary  
Las Vegas Valley Water District

LAS VEGAS VALLEY WATER DISTRICT

BY: Myrna Williams  
MYRNA WILLIAMS, President  
Board of Directors

APPROVED:

Charles K. Hauser  
CHARLES K. HAUSER, General Counsel



## Site Map

### Legend

- Street Centerline
- ▨ Parcels
- ▭ Building Footprints
- scl\_majors
- ▭ City of Las Vegas

Real Estate & Asset Mgmt



8/26/2004

**AGENDA SUMMARY PAGE**  
**CITY COUNCIL MEETING OF: SEPTEMBER 15, 2004**

**DEPARTMENT: PUBLIC WORKS**

**DIRECTOR: RICHARD D. GOECKE**

☒

**CONSENT**

☐

**DISCUSSION**

**SUBJECT:**

REPORT FROM REAL ESTATE COMMITTEE - Councilwoman Moncrief and Councilman Wolfson

**ABEYANCE ITEM** - Approval of entering into negotiations with The Shade Tree, Inc., for the purchase of approximately one acre of City land in the vicinity of Owens Avenue and Main Street for an off-site expansion - Ward 5 (Weekly)

**Fiscal Impact**

☒

**No Impact**

**Amount:**

☐

**Budget Funds Available**

**Dept./Division:** Public Works/Real Estate

☐

**Augmentation Required**

**Funding Source:**

**PURPOSE/BACKGROUND:**

The City of Las Vegas (CLV) is in receipt of a letter from The Shade Tree, Inc., dated 8/10/04. They have requested to enter into a Purchase and Sale Agreement with CLV for approximately one acre of land for an off-site expansion. The land requested is adjacent to the west parking lot wall of their existing property.

**RECOMMENDATION:**

Staff recommends approval to enter into negotiations with The Shade Tree, Inc., to bring the Purchase and Sale Agreement back to Council for consideration

**BACKUP DOCUMENTATION:**

1. 8/10/04 Letter from The Shade Tree, Inc.
2. Site Map

**MOTION:**

**REESE – APPROVED** Items 4-34, 36, 37, 39, 40, 42-54, and 56-72 – **UNANIMOUS** with **MACK** abstaining on Items 8 and 9 because they involve the Lady Luck Casino, with which his brother-in-law, Andrew Donner, has a contract related to its non-restricted gaming license

**NOTE:** COUNCILMAN MACK disclosed for Item 3 that his company, Mack Consulting, recently began negotiating with Clear Channel Advertising on behalf of his clients. Clear Channel Entertainment and Clear Channel Outdoor are subsidiaries of the parent Clear Channel Corporation, although they do not share corporate officers. Neither group has ever negotiated business involving any of the other Clear Channel subsidiaries, and COUNCILMAN MACK felt



CITY COUNCIL MEETING OF SEPTEMBER 15, 2004

Consent – Real Estate

Item 70 - Approval of entering into negotiations with The Shade Tree, Inc., for the purchase of approximately one acre of City land in the vicinity of Owens Avenue and Main Street for an off-site expansion - Ward 5 (Weekly)

**MOTION – Continued:**

that the connection was so remote that it was improbable any conflict would ever rise. Therefore, he indicated that he would continue to vote on items involving SFX Marketing. In addition, Items 22, 70, 71, and 72 involve locations near SuperPawn shops owned by his brother, Steven Mack. Due to the pending sale of all SuperPawn shops, he no longer is a consultant for his brother's company. His brother has not mentioned any of the aforementioned items to him, nor did COUNCILMAN MACK believe that these items would affect his brother's interests; therefore, COUNCILMAN MACK said he would be voting on Items 22, 70, 71, and 72.

**MINUTES:**

Under Item 3 (see Item 4), COUNCILWOMAN MONCRIEF reported that the Real Estate Committee met to review all of the Real Estate items on the consent agenda and joins with the recommendation of staff that the City Council approve each item.

(9:31 – 9:38)

1-815



August 10, 2004

City of Las Vegas  
Attn: Mr. Orlando Sanchez, Director  
Neighborhood Services Department  
400 E. Stewart Ave. 2<sup>nd</sup> Floor  
Las Vegas, NV 89195

Dear Mr. Sanchez:

Per our previous conversation with Ms. Sharon Segerbloom, request one acre of the old MASH property be deeded to The Shade Tree, Inc. for the purpose of completing our critically needed off-site expansion project. Location of the land requested sits directly adjacent to the west parking lot wall of our existing property. Funds required to complete this project have already been secured.

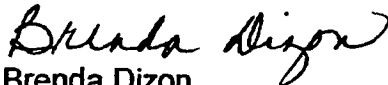
The Shade Tree is a 38,000 sq. ft. structure that sits on .69 acres of land. During the last fiscal year, we provided 74,744 bed nights to 6,519 unduplicated women and children. Currently we have only 19 parking spaces and very little on-site space for clients to congregate while waiting to re-enter the facility without over flowing onto the public sidewalks and into the street. This situation creates a safely hazard for everyone, but especially the children. At times, we have more than 200 women and children standing out on the streets. The Shade Tree has also lost many opportunities to enter into community partnerships due to the lack of parking/on-site space. Donations are frequently lost because the individual cannot get into the parking area to access donations. At other times especially on the weekends and after office hours, donors will come to the property and just dump their donation on the currently exposed loading dock, which creates an eye sore. There are even times when emergency vehicles have difficulty getting in and out. Children are frequently confined to inside the building because sufficient outside play areas are not available. Men loiter outside the Owens side of the exiting property because the back patio is the only outside area the women have to sit. This has created problems with protecting the confidentiality of our clients, unwanted trash, and destruction of property. And last, but not least, due to the lack of on-site parking spaces, staff and clients alike must park on the street, preventing City street sweeping crews access to cleaning the area.

With the additional acre of land, plans have been developed to address all of the above issues. First, the number of exiting in-site parking spaces will be increased from 19 to

62. This will also allow for an increase in the number of handicap parking spaces from one to five. Secondly a large outside covered patio areas is planned where clients can meet and socialize without leaving the grounds and/or being visible to outsiders. A large playground is being added to give the kids a place to safely play. Given the size and layout of the new area, there will be no reason for any resident to be loitering outside the gates. Two large, on-site storage sheds will allow us to receive donations away from the building and eliminate the unsightly accumulations of donations on the dock. Finally, because a solid block wall will enclose the entire area, safety and confidentiality for all women and children will be greatly improved. More handicapped persons will have closer access to the building and emergency vehicles can enter without interference.

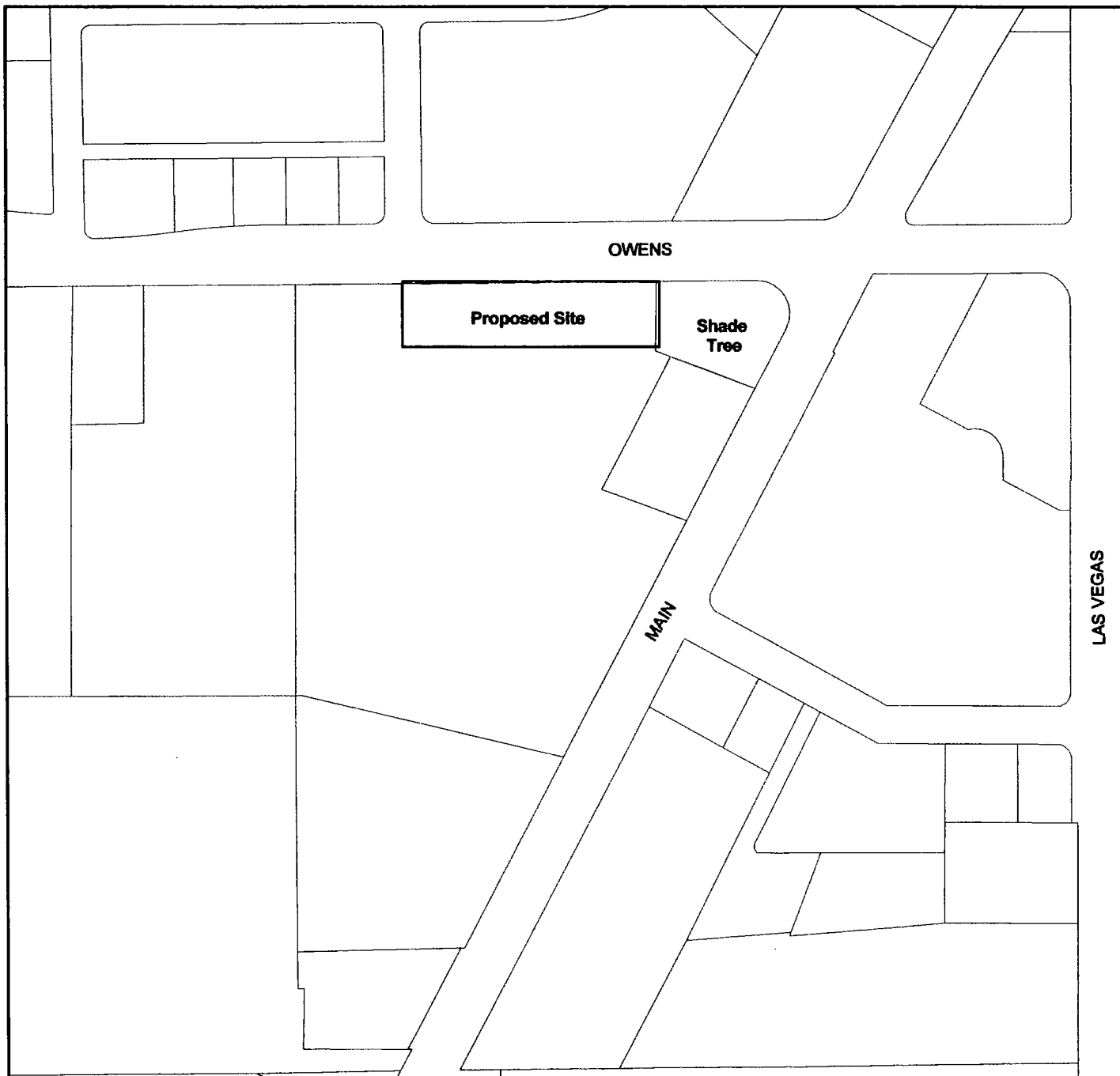
The Shade Tree is extremely grateful for the City's support in serving the many and varied needs of the homeless and abused women and children of this community. Together, we can, and do, make a difference. Thank you, again.

Sincerely,

A handwritten signature in cursive script, appearing to read "Brenda Dizon".

Brenda Dizon  
Executive Director

cc: Ms. Faye Johnson, Manager



## Site Map

### Legend

- Street Centerline
- Parcels
- Building Footprints
- City of Las Vegas

Real Estate & Asset Mgmnt



08/13/2004

**AGENDA SUMMARY PAGE**  
**CITY COUNCIL MEETING OF: SEPTEMBER 15, 2004**

**DEPARTMENT: PUBLIC WORKS**

**DIRECTOR: RICHARD D. GOECKE**

☒

**CONSENT**

☐

**DISCUSSION**

**SUBJECT:**

**REPORT FROM REAL ESTATE COMMITTEE - Councilwoman Moncrief and Councilman Wolfson**

**ABEYANCE ITEM** - Approval of entering into negotiations with The Salvation Army for a Purchase Agreement for approximately 3.165 acres of land in the vicinity of Owens Avenue and Main Street for The Salvation Army and HAND Development Company for co-development of an affordable family housing community - Ward 5 (Weekly)

**Fiscal Impact**

☒

**No Impact**

**Amount:**

☐

**Budget Funds Available**

**Dept./Division: Public Works/Real Estate**

☐

**Augmentation Required**

**Funding Source:**

**PURPOSE/BACKGROUND:**

City of Las Vegas (CLV) is in receipt of a letter from The Salvation Army dated 6/7/04. They have requested to enter into a Purchase Agreement with CLV for approximately 3.165 acres of land on which to develop an affordable family housing community consisting of 68 apartment units, a 2,000 sq. ft. recreation building and small play area.

**RECOMMENDATION:**

The 8/31/2004 Real Estate Committee and staff recommend approval to enter into negotiations with The Salvation Army to bring the Purchase Agreement back to Council for consideration

**BACKUP DOCUMENTATION:**

1. 6/7/04 Letter from The Salvation Army
2. Site Map

**MOTION:**

**REESE - APPROVED** Items 4-34, 36, 37, 39, 40, 42-54, and 56-72 - **UNANIMOUS** with **MACK** abstaining on Items 8 and 9 because they involve the Lady Luck Casino, with which his brother-in-law, Andrew Donner, has a contract related to its non-restricted gaming license

**NOTE:** COUNCILMAN MACK disclosed for Item 3 that his company, Mack Consulting, recently began negotiating with Clear Channel Advertising on behalf of his clients. Clear Channel Entertainment and Clear Channel Outdoor are subsidiaries of the parent Clear Channel Corporation, although they do not share corporate officers. Neither group has ever negotiated business involving any of the other Clear Channel subsidiaries, and COUNCILMAN MACK felt

CITY COUNCIL MEETING OF SEPTEMBER 15, 2004

Consent - Real Estate

Item 71 – Approval of entering into negotiations with The Salvation Army for a Purchase Agreement for approximately 3.165 acres of land in the vicinity of Owens Avenue and Main Street for The Salvation Army and HAND Development Company for co-development of an affordable family housing community - Ward 5 (Weekly)

**MOTION – Continued:**

that the connection was so remote that it was improbable any conflict would ever rise. Therefore, he indicated that he would continue to vote on items involving SFX Marketing. In addition, Items 22, 70, 71, and 72 involve locations near SuperPawn shops owned by his brother, Steven Mack. Due to the pending sale of all SuperPawn shops, he no longer is a consultant for his brother's company. His brother has not mentioned any of the aforementioned items to him, nor did COUNCILMAN MACK believe that these items would affect his brother's interests; therefore, COUNCILMAN MACK said he would be voting on Items 22, 70, 71, and 72.

**MINUTES:**

Under Item 3 (see Item 4), COUNCILWOMAN MONCRIEF reported that the Real Estate Committee met to review all of the Real Estate items on the consent agenda and joins with the recommendation of staff that the City Council approve each item.

(9:31 – 9:38)

1-815



# THE SALVATION ARMY CLARK COUNTY ADMINISTRATION

2900 Palomino Lane  
P.O. Box 28369 • Las Vegas, NV 89126  
(702) 870-4430 • Fax (702) 870-4087

Majors William and Harryette Railh  
Clark County Coordinator & Director of Special Services

June 7, 2004

Mr. Orlando Sanchez, Director  
Neighborhood Services Department  
City of Las Vegas  
400 E. Stewart Ave. 2<sup>nd</sup> Floor  
Las Vegas, Nevada 89101

2004 AUG 12 A 11:50

CITY OF LAS VEGAS  
PUBLIC WORKS  
REAL ESTATE

Dear Mr. Sanchez,

This letter is a formal request for an Option To Purchase to be placed on the City Council Agenda. This would be for the approximate 3.165 acres of land the city owns, which was previously known as the MASH property. Please find attached the February 18, 2004 letter to Faye Johnson, Manager Neighborhood Development Division and her response dated February 26, 2004 stating the process could take up to 60 days from the date of her letter. This letter was included in our tax credit application to the State of Nevada.

On May 14, 2004 we received our Reservation of 2004 Low Income Housing Tax Credits letter for our Horizon Crest permanent housing development from the State of Nevada (letter attached). In addition to the tax credits we received a HOME award of \$888,500 from Clark County (letter attached).

Horizon Crest Apartments is an affordable family housing community. The development will provide 68 apartment units in garden style buildings with a recreation building of approximately 2,000 sq. ft. and a small play area. The buildings have two and three-story wood frame construction with stucco exteriors and tile roofs. All units will have separate exterior entrances. The project is designed in a southwestern style with specific consideration for families in the design feature. All buildings will be a mix of two and three-story with external staircases. Each unit will include a range, oven, disposal, dishwasher, washer and dryer hookups and a refrigerator. The unit mix is as follows:

|               | All Units | Square Feet | 40% of Median | 30% of Median |
|---------------|-----------|-------------|---------------|---------------|
| One-bedroom   | 32        | 782         | 27            | 5             |
| Two- bedroom  | 8         | 1,097       | 7             | 1             |
| Three-bedroom | 28        | 1,197       | 24            | 4             |

Fifty eight units will be reserved for tenant households with income equal to or less than 40% of the median income for the Las Vegas primary metropolitan statistical area; and ten units will be reserved for households with 30% or less of median income.

Long -term affordability will be governed by a regulatory agreement for the tax credits, which provides affordability assurances for a total of at least 30 years. The Salvation Army will manage the property. The project will be financed by tax credit equity and HOME Funds from Clark County.

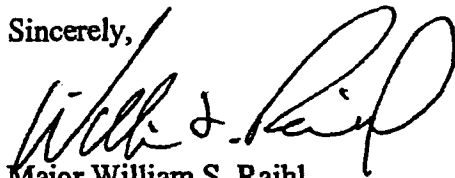
The Salvation Army and HAND Development Company will be co-developers. The General Contractor will be HAND Construction Company, an affiliate of Nevada H.A.N.D., Inc.

The Salvation Army has been serving the community since 1947. Completed capital projects include; Lied Transitional Housing Complex, Adult Rehabilitation Resident Program, Homeless Services Center, Pathways, Safe Haven and Silver Crest Senior Apartments. We are currently constructing the Lied Vocational Housing Center and anticipate construction to be complete by January 2005.

Please advise when the date of the Council meeting the Option to Purchase will be placed on the agenda so I can place it on my calendar to attend.

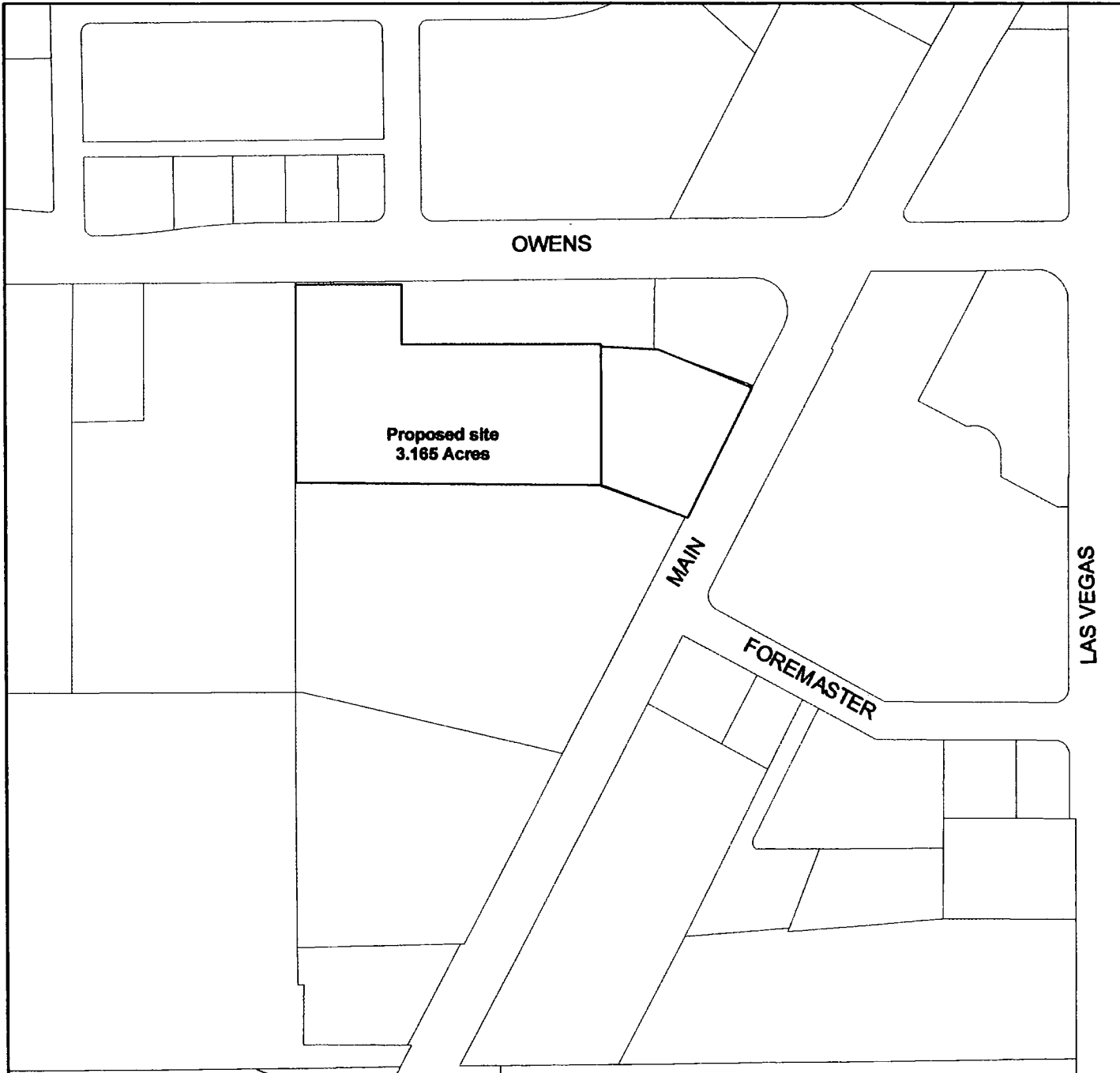
Thank you.

Sincerely,

A handwritten signature in dark ink, appearing to read "William S. Raihl". The signature is fluid and cursive, with a large, stylized "R" at the end.

Major William S. Raihl  
Clark County Coordinator  
Enclosures





## Site Map

### Legend

- Street Centerline
- Parcels
- City of Las Vegas

Real Estate & Asset Mgmt



08/18/2004

**AGENDA SUMMARY PAGE**  
**CITY COUNCIL MEETING OF: SEPTEMBER 15, 2004**

**DEPARTMENT: PUBLIC WORKS**

**DIRECTOR: RICHARD D. GOECKE**

☒

**CONSENT**

☐

**DISCUSSION**

**SUBJECT:**

**REPORT FROM REAL ESTATE COMMITTEE - Councilwoman Moncrief and Councilman Wolfson**

Approval of a Lease Agreement with The Salvation Army to provide use of the former Crisis Intervention Center facility located at 1581 North Main Street - Ward 5 (Weekly)

**Fiscal Impact**

☒

**No Impact**

**Amount:**

☐

**Budget Funds Available**

**Dept./Division: Public Works/Real Estate**

☐

**Augmentation Required**

**Funding Source:**

**PURPOSE/BACKGROUND:**

The Salvation Army has requested to extend their current Lease Agreement with the City for a period of five years for use of the former Crisis Intervention Center facility. During which, The Salvation Army will be responsible for all costs, including utilities, maintenance, and security. The use of the premises includes the Christmas Angel Program, Family Services, Back-To-School Headquarters, Triage Center for Emergency Disaster Interventions, Coats for Kids, Family Resource Center and Family-to-Family Connection.

**RECOMMENDATION:**

The 9/14/2004 Real Estate Committee and staff recommend approval.

**BACKUP DOCUMENTATION:**

Lease Agreement

**MOTION:**

**REESE – APPROVED Items 4-34, 36, 37, 39, 40, 42-54, and 56-72 – UNANIMOUS with MACK abstaining on Items 8 and 9 because they involve the Lady Luck Casino, with which his brother-in-law, Andrew Donner, has a contract related to its non-restricted gaming license**

**NOTE: COUNCILMAN MACK disclosed for Item 3 that his company, Mack Consulting, recently began negotiating with Clear Channel Advertising on behalf of his clients. Clear Channel Entertainment and Clear Channel Outdoor are subsidiaries of the parent Clear Channel Corporation, although they do not share corporate officers. Neither group has ever negotiated business involving any of the other Clear Channel subsidiaries, and COUNCILMAN MACK felt**

CITY COUNCIL MEETING OF SEPTEMBER 15, 2004

Consent – Real Estate

Item 72 – Approval of a Lease Agreement with The Salvation Army to provide use of the former Crisis Intervention Center facility located at 1581 North Main Street - Ward 5 (Weekly)

**MOTION – Continued:**

that the connection was so remote that it was improbable any conflict would ever rise. Therefore, he indicated that he would continue to vote on items involving SFX Marketing. In addition, Items 22, 70, 71, and 72 involve locations near SuperPawn shops owned by his brother, Steven Mack. Due to the pending sale of all SuperPawn shops, he no longer is a consultant for his brother's company. His brother has not mentioned any of the aforementioned items to him, nor did COUNCILMAN MACK believe that these items would affect his brother's interests; therefore, COUNCILMAN MACK said he would be voting on Items 22, 70, 71, and 72.

**MINUTES:**

Under Item 3 (see Item 4), COUNCILWOMAN MONCRIEF reported that the Real Estate Committee met to review all of the Real Estate items on the consent agenda and joins with the recommendation of staff that the City Council approve each item.

(9:31 – 9:38)

1-815

# Amendment to Final Minutes

Office of the City Clerk

City Council Meeting Minutes of September 15, 2004

Date Submitted: September 14, 2009

Amendment to Item #72

---

Purpose of Amendment:

Executed Document Added to the Final Minutes as follows:

- First Amendment to Lease Agreement between the City of Las Vegas and the Salvation Army

Submitted By: \_\_\_\_\_

*Harry L Campbell*

Signature: \_\_\_\_\_

*Bonny K Brubaker*

City Clerk or Chief Deputy

Date: \_\_\_\_\_

*9/14/09*

## FIRST AMENDMENT to LEASE AGREEMENT

THIS FIRST AMENDMENT TO LEASE AGREEMENT ("First Amendment") is made and entered into this 15<sup>th</sup> day of July, 2009, by and between the CITY OF LAS VEGAS, a municipal corporation of the State of Nevada ("Landlord") and the SALVATION ARMY, a California nonprofit corporation, ("Tenant"). The Landlord and Tenant are individually or collectively referred herein as "Party" or "Parties."

### RECITALS

WHEREAS, the Las Vegas City Council approved and the Mayor executed a Lease Agreement ("Lease") between the Landlord and Tenant on September 15, 2004, for the use of approximately 15,000 square feet of real property located at 1581 North Main Street, Las Vegas, Clark County, Nevada; and

WHEREAS, the Lease expires on September 30, 2009; and

WHEREAS, it is the mutual desire to the Parties hereto to amend the Lease;

NOW, THEREFORE, in consideration of the foregoing facts and terms, conditions and covenants set forth below, the Parties hereto agree as follows:

1. Section 2—Term is amended to extend the Term for five (5) years commencing on October 1, 2009.
2. Tenant represents and acknowledges that as of the date of this First Amendment, Tenant (i) is not in default under the terms of the Lease; (ii) has no defense, set off or counterclaim to the enforcement by Landlord of the terms of the Lease; and (iii) is not aware of any action or inaction by Landlord that would constitute an Event of Default by Landlord under the Lease.
3. In the event of a conflict between any provision(s) of the Lease and of this First Amendment, the First Amendment shall control.
4. In all other respects, the Lease is hereby ratified and confirmed, in full.

IN WITNESS WHEREOF, the Parties hereto have executed this First Amendment as of the date first above written.

CITY OF LAS VEGAS

By: Robin Yoakum  
ROBIN YOAKUM, Real Estate &  
Utilities Administrator

THE SALVATION ARMY

By: William Hagan  
Its: VICE PRESIDENT ASS'T TREASURER

JUN 30 2009

ATTEST:

Beverly K. Bridges  
BEVERLY K. BRIDGES CMC,  
City Clerk

APPROVED AS TO FORM:

John S. Ridilla 6/10/09  
JOHN S. RIDILLA DATE  
Deputy City Attorney

# LEASE AGREEMENT

THIS LEASE AGREEMENT (hereinafter referred to as "Lease" or "Lease Agreement") is entered into this 15 day of Sept., 2004, by and between the CITY OF LAS VEGAS, a municipal corporation of the State of Nevada (hereinafter referred to as "Landlord"), and THE SALVATION ARMY, a California nonprofit corporation, (hereinafter referred to as "Tenant").

WITNESSETH:

WHEREAS, Landlord is the owner of certain real property located at 1581 North Main Street, Las Vegas, Nevada, 89101, and commonly known and referred to as the Crisis Intervention Center; and

WHEREAS, the Tenant is desirous to occupy the Landlord's real property by leasing approximately 15,000 square feet of office space located on a lot approximately 35,000 square feet in size ("Property") to operate its business which includes the Family Services, Christmas Angel Program, Back-To-School Headquarters, Triage Center for Emergency Disaster Interventions, Coats for Kids, Family Resource Center, and Family-to-Family Connection in accordance with the terms, conditions, and covenants hereinafter set forth.

NOW, THEREFORE, in consideration of the premises and of the mutual covenants and agreements hereinafter contained, the parties hereto agree as follows:

## 1. PREMISES.

In consideration of the rents, covenants and agreements contained herein, Landlord leases to Tenant, and Tenant leases from Landlord certain office space comprising approximately 15,000 square feet and Property located at 1581 North Main Street in the City of Las Vegas, County of Clark, State of Nevada, ("Premises") and commonly referred to as Crisis Intervention Center, which is delineated on Exhibit "A" attached hereto and by this reference made a part of this Lease Agreement.

## 2. TERM.

2.1. Length of Term. The term of this Lease shall be for a period of (5) five years beginning on the Commencement Date as hereinafter defined the "Initial Term". This Lease may be terminated with or without cause by either party providing the other 90-day advance written notice of its intent to terminate. Upon receipt of the notice, the Termination Date shall be on the last calendar day of the month in which the 90 day notification period ends. For example, if notification is provided on the 5th day of July, the Lease terminates on October 31st of that same year.

2.2. Commencement Date. The Commencement Date for this Lease Agreement will begin on the first day of the first month following date first above written.

2.3 Execution Date. The Execution Date for this Lease Agreement is the date on which both parties have signed the agreement.

3. RENT.

Tenant agrees to pay to Landlord, at such place as Landlord may designate, without prior demand and without any deduction or set off whatsoever, except as provided herein, the Base Rental Payment of One Dollar (\$1.00) per month.

Tenant agrees that any and all work, repair or maintenance required and/or performed under Section 9 (Maintenance) and Section 10 (Alterations) is considered Supplemental Rent in addition to the Base Rental Payment.

4. This section intentionally omitted.

5. USE.

5.1 Use of Premises. Tenant shall use the Premises solely for the purpose of conducting its business, which is expressly limited to: the Family Services, Christmas Angel Program, Back-To-School Headquarters, Triage Center for Emergency Disaster Interventions, Coats for Kids, Family Resource Center, and Family-to-Family Connection. Tenant shall not use or permit the Premises to be used for any other purpose or purposes except with the prior written consent from the Landlord's designee, The Director of Neighborhood Services Department at the City of Las Vegas.

5.2 Prohibited Uses. Tenant shall not use the Premises for nighttime shelter. Tenant shall not shelter, feed, or provide showers to persons on the Premises. Tenant shall not use the Premises for adult day shelter purposes. Any other activity involving temporarily housing displaced persons that is not expressly outlined in the Lease is prohibited.

6. CONTINUOUS OPERATION.

Tenant covenants to operate its business at the Premises continuously during the entire term of this Lease. Tenant shall keep on the Premises at all times sufficient personnel to service the usual and ordinary demands and requirements of its customers, clients and/or visitors.

7. LAWS, WASTE, NUISANCE.

Tenant covenants that it: (a) will comply with all governmental laws, ordinances, regulations, and requirements, now in force or which hereafter may be in force, of any lawful governmental body or authorities having jurisdiction over the Premises; (b) will keep the Premises and every part thereof in a clean, neat and orderly condition, free of objectionable

noise, odors, or nuisances, and will in all respects and at all times fully comply with all health and police regulations; and (c) shall not suffer, permit or commit any waste.

8. SIGNS. AWNINGS AND CANOPIES.

Tenant shall not place or suffer to be placed or maintained on any exterior door, wall, or window of the Premises, or elsewhere in the Crisis Intervention Center, any sign, awning, or canopy, or advertising matter or other thing of any kind, and will not place or maintain any decoration, lettering, or advertising matter on the glass of any window or door of the Premises without first obtaining written permission from Landlord. Landlord may, at Tenant's cost, remove any item erected in violation of this Section.

9. MAINTENANCE.

Tenant shall maintain the Premises and every part thereof in a clean, neat and orderly condition, free of objectionable noise, odors or nuisances and will in all respects and at all times fully comply with health, safety and police regulations, including all laws, regulations, statutes or codes concerning the use, storage or maintenance of hazardous materials on the Premises. Tenant shall further not suffer or permit any person to commit any waste on the Property. Tenant shall be responsible for the cost of providing any and all maintenance and security for the Premises.

10. ALTERATIONS.

Tenant Alterations and Improvement. Tenant shall not make or cause to be made any alterations, additions or improvements or make any changes to the building without first obtaining Landlord's written approval. Tenant shall present to the Landlord plans and specifications for such work at the time approval is sought. In the event Landlord consents to the making of any alterations, additions, or improvements to the Premises by Tenant, the same shall be made by Tenant at Tenant's sole cost and expense. All such work with respect to any alterations, additions and changes shall be done in a good and workmanlike manner and diligently prosecuted to completion such that, except as absolutely necessary during the course of such work, the Premises shall at all times be a complete operating unit. Any such alterations, additions, or changes shall be performed and done strictly in accordance with the laws or ordinances relating thereto. In performing the work or any such alterations, additions or changes Tenant shall have the same performed in such a manner as not to obstruct access to any portion of the Crisis Intervention Center. Any alterations, additions, or improvements to or of the Premises, including, but not limited to, wall covering, and paneling, shall at once become a part of the realty and shall be surrendered with the Premises unless Landlord otherwise elects at the end of the term hereof.



11. MECHANIC'S LIEN.

Should any mechanic's or other lien be filed against the Premises or any part thereof by reason of Tenant's acts or omissions or because of a claim against Tenant, Tenant shall cause the same to be canceled and discharged of record by bond or otherwise within thirty (30) days after notice by Landlord.

12. UTILITIES AND SERVICES.

Tenant shall provide and pay for all utilities and custodial services for the Premises during the Lease term, including any and all telephone services, gas, electric, water, cable, garbage pick up, security alarms, security cameras, security guards, sewer, and any landscaping service that it may require. Tenant shall be required to provide security in the manner that appropriately handles the safety, welfare, and integrity of the Premises.

13. ASSIGNMENT.

13.1. Assignment Prohibited. Tenant shall not transfer, assign, mortgage, or hypothecate this Lease, in whole or in part, or permit the use of the Premises by any person or persons other than Tenant, or sublet the Premises, or any part thereof, without the prior written consent of Landlord in each instance. Such prohibition against assigning or subletting shall include any assignment or subletting by operation of law. Any transfer of this Lease from Tenant by merger, consolidation, transfer of assets, or liquidation shall constitute an assignment for purposes of this Lease.

13.2. Consent Required. Any assignment or subletting without Landlord's consent shall be void, and shall constitute a default hereunder which, at the option of Landlord, shall result in the termination of this Lease or exercise of Landlord's other remedies hereunder. Consent to any assignment or subletting shall not operate as a waiver of the necessity for consent to any subsequent assignment or subletting, and the terms of such consent shall be binding upon any person holding by, under or through Tenant.

14. INDEMNITY.

Tenant hereby agrees to protect, indemnify, and hold the Landlord, its officers, employees and agents, harmless from and against any and all claims, damages, losses, expenses, suits, actions, decrees, judgments, awards, attorneys' fees and court costs, which the Landlord, its officers, employees or agents, may suffer or which may be sought against or are recovered or obtainable from the Landlord, its officers, employees or agents, as a result of, or by reason of, or arising out of or in consequence of any act or omission, negligent or otherwise, of the Tenant or its officers, employees, contractors, subcontractors, agents, volunteers or anyone who is directly

or indirectly employed by, or is acting in concert with, the Tenant, officers, its employees, contractors, subcontractors, volunteers or agents in the performance of this Lease.

In this connection, the Tenant expressly agrees, at its sole cost and expense, to defend the Landlord, its officers, employees and agents, in any suit or action that may be brought against it or them, or any of them, by reason of any act or omission, negligent or otherwise, against which the Tenant has agreed to indemnify the Landlord, its officers, employees and agents. If the Tenant fails so to do, the Landlord shall have the right, but not the obligation to defend same and to charge all of the direct and incidental costs of such defense, including attorneys' fees and court costs, to the Tenant.

#### 15. INSURANCE.

At all times during its occupancy of the Premises, Tenant shall, at its sole cost and expense, obtain and maintain bodily injury liability insurance covering the Premises and any and all improvements thereon in the amount of One Million and No/100ths Dollars (\$1,000,000.00) for the injury to or the death of any one person, and Two Million and No/100ths Dollars (\$2,000,000.00) for injuries to or the death of any number of persons in one occurrence, and property damage liability insurance in the amount of One Million and No/100ths Dollars (\$1,000,000.00). As a condition to this Lease continuing in force and effect, Tenant shall submit to Landlord a certificate of insurance which evidences the above required coverages and names Landlord as an additional insured party. The policies with respect to such insurance coverages shall be so endorsed as to create the same liability on the part of the insurer as though separate policies had been written for Landlord and Tenant. The insurance coverage shall be with an insurance carrier which is licensed to do business within the State of Nevada and which is acceptable to Landlord. All policies of insurance, or certificates of insurance which evidence the insurance coverages required hereby, shall contain a provision that the same shall not be canceled or modified in any material effect unless and until thirty (30) days written notice of such cancellation or modification has been provided to Landlord.

#### 16. DESTRUCTION.

16.1. Landlord's Remedies. If the Premises shall be partially damaged by any casualty insured against under Landlord's insurance policy, Landlord shall, upon receipt of the insurance proceeds, repair the Premises and until repair is complete the minimum rent shall be abated proportionately as to that portion of the Premises rendered untenable. Notwithstanding the foregoing, if; (a) the Premises by reason of such occurrence are rendered wholly untenable, or (b) the Premises should be damaged as a result of a risk which is not covered by Landlord's insurance, or (c) the Premises or the building of which it is a part, whether the Premises are damaged or not, should be damaged to the extent of fifty percent (50%) or more of the then monetary value thereof, or (d) any or all of the buildings or common areas of the Crisis Intervention Center are damaged, whether or not the Premises are damaged, to such an extent that the Crisis Intervention Center cannot in the sole judgment of Landlord be operated as an integral unit, then and in any such events, Landlord may either elect to repair the damage or may cancel this Lease by notice of cancellation within one hundred eighty (180) days after such event

and thereupon this Lease shall expire and Tenant shall vacate and surrender the Premises to Landlord. Tenant's liability for rent upon the termination of this Lease shall cease as of the date following Landlord's giving notice of cancellation. Nothing in this Section shall be based upon the revised minimum rent as the same may be abated. If the damage is caused by the negligence of Tenant or its employees, agents, invitees, or concessionaires, there shall be no abatement of rent. Unless this Lease is terminated by Landlord or Tenant, Tenant shall repair and re-fixture the interior of the Premises in a manner and in at least a condition equal to that existing prior to the destruction or casualty.

16.2. Tenant's Remedies. The Tenant may, notwithstanding the foregoing, terminate this Lease Agreement effective immediately on the date of written notice to Landlord in the event of the occurrence of the events in item 16.1 (a) above or upon thirty (30) days advance written notice to Landlord in the event of one or more of the occurrences in items 16.1(b) and (c). If Tenant shall terminate this Lease Agreement, it shall have no further obligation to pay rent or be obligated to make any other payments to Landlord or perform any other term and condition of said Lease Agreement other than remove it's personal property in accordance with the terms herein upon the effective date of the written notice of termination. Tenant shall not be assessed or be liable for any fees, penalties, or damages resulting from said termination of Lease Agreement.

#### 17. EVENTS OF DEFAULT REMEDIES.

17.1. Default by Tenant . Upon the occurrence of any of the following events, Landlord shall have the remedies set forth in Section 17.2:

(A) Tenant fails to pay any rental or any other sum due hereunder within ten (10) days after the same shall be due.

(B) Tenant fails to perform any other term, condition or covenant to be performed by it pursuant to this Lease within thirty (30) days after written notice of such default shall have been given to Tenant by Landlord.

(C) Tenant or its agent shall falsify any report required to be furnished to Landlord hereunder.

(D) Tenant shall become bankrupt or insolvent or file any debtor proceedings or have taken against such party in any court pursuant to state or federal statute, a petition in bankruptcy or insolvency, reorganization, or appointment of a receiver or trustee; or Tenant petitions for or enters into an arrangement; or suffers this Lease to be taken under a writ of execution.

(E) Tenant violates either Section 5 or Section 13.

17.2. Remedies. Upon the occurrence of the events set forth in Section 17. 1, Landlord shall have the option to take any or all of the following actions, without further notice or demand of any kind to Tenant or any other person:

(A) Immediately reenter and remove all persons and personal property from the Premises, storing said personal property in a public place, warehouse, or elsewhere at the cost of, and for the account of, Tenant, all without service of notice or resort to legal process and without being deemed guilty of or liable in trespass. No such reentry of taking possession of the Premises by Landlord shall be construed as an election on its part to terminate this Lease unless a written notice of such intention is given by Landlord to Tenant. No such action by Landlord shall be considered or construed to be a forcible entry.

(B) Terminate this Lease by written notice to Tenant. In the event of such termination, Tenant agrees to immediately surrender possession of the Premises. Should Landlord terminate this Lease, it may recover from Tenant all damages it may incur by reason of Tenant's breach, including the cost of recovering the Premises, reasonable attorney's fees, and the worth at the time of such termination of the excess, if any, of the amount of rent and charges equivalent to rent reserved in this Lease for the remainder of the stated term over the then reasonable rental value of the Premises for the stated term, all of which amounts shall be immediately due and payable from Tenant to Landlord.

18. This section intentionally omitted.

19. ACCESS TO PREMISES.

Landlord shall have the right to enter the Premises at all reasonable times upon twenty-four (24) hours prior notice to Tenant to inspect or to exhibit the same to prospective purchasers, mortgagees, tenants, and lessees.

20. ATTORNMENT.

In the event of the sale or assignment of Landlord's interest in the building of which the Premises are a part, or in the event of any proceedings brought for the foreclosure of, or in the event of exercise of the power of sale under, any mortgage or other security instrument made by Landlord covering the Premises, Tenant shall attorn to the assignee or purchaser and recognize such purchaser as Landlord under this Lease.

21. QUIET ENJOYMENT.

Tenant, upon paying the rents and observing and performing all of the terms, covenants and conditions on its part to be performed hereunder, shall peaceably and quietly enjoy the Premises for the term hereof.

22. SURRENDER OF PREMISES.

At the expiration or termination of this Lease, Tenant shall surrender the Premises in the same condition as they were in upon delivery of possession thereto under this Lease, reasonable wear and tear excepted, and shall deliver all keys to Landlord. Before surrendering the Premises, Tenant shall remove all of its personal property and trade fixtures and such alterations or additions to the Premises made by Tenant as may be specified for removal by Landlord, and shall repair any damage caused by such property or the removal thereof. If Tenant fails to remove its personal property and fixtures upon the expiration or termination of this Lease, the same shall be deemed abandoned and shall become the property of Landlord.

23. This section intentionally omitted.

24. ATTORNEY'S FEES.

In the event that at any time during the term of this Lease, either Landlord or the Tenant institutes any action or proceeding against the other relating to the provisions of this Lease or any default hereunder, then the unsuccessful party shall be responsible for the reasonable expenses of such action including reasonable attorney's fees, incurred therein by the successful party.

25. MISCELLANEOUS PROVISIONS.

25.1. No Partnership. Landlord does not by this Lease, in anyway or for any purpose, become a partner or joint venturer of Tenant in the conduct of its business or otherwise. The provisions of this Lease relating to percentage rent are included solely for the purpose of providing a method whereby rent is to be measured and ascertained.

25.2. Force Majeure. Landlord shall be excused for the period of any delay in the performance of any obligations hereunder when prevented from so doing by cause or causes beyond Landlord's control, including labor disputes, civil commotion, war, governmental regulations or controls, fire or other casualty, inability to obtain any material or services, or acts of God.

25.3. No Waiver. Failure of Landlord to insist upon the strict performance of any provision or to exercise any option hereunder shall not be deemed a waiver of such breach. No provision of this Lease shall be deemed to have been waived unless such waiver be in writing signed by Landlord.

25.4. Notices. Any notice, demand, request or other instrument which may be or is required to be given under this Lease shall be delivered in person or sent by United States certified or registered mail, postage prepaid, and shall be addressed; (a) if to Landlord, at the place specified for payment of rent and the addresses set forth below and (b) if to Tenant, either at the Premises, at the current address for Tenant as set forth below which is known to Landlord. Either party may designate such other address as shall be given by written notice.

To Landlord:           City of Las Vegas  
                          Department of Public Works/Real Estate  
                          400 Stewart Ave., 4<sup>th</sup> Floor  
                          Las Vegas, Nevada 89101  
                          (702) 229-1020 phone  
                          (702) 384-0527 fax

With additional copies to:

                          City of Las Vegas  
                          City Attorney's Office  
                          400 East Stewart Ave., 9<sup>th</sup> Floor  
                          Las Vegas, Nevada 89101  
                          (702) 386-1749 fax

                          City of Las Vegas  
                          Department of Neighborhood Services  
                          400 East Stewart Ave., 2<sup>nd</sup> Floor  
                          Las Vegas, Nevada 89101  
                          (702) 382-3045 fax

To Tenant:            The Salvation Army  
                          2900 Palomino Lane  
                          P.O. Box 28869  
                          Las Vegas, NV 89126  
                          (702) 870-4480 phone  
                          (702) 870-4087 fax

25.5. Recording. Tenant shall not record this Lease or a memorandum thereof without the written consent of Landlord. Landlord, at its option and at any time, may file this Lease for record with the Recorder of the County in which the Crisis Intervention Center is located.

25.6. Partial Invalidity. If any provision of this Lease or the application thereof to any person or circumstance shall to any extent be invalid, the remainder of this Lease or the application of such provision to person or circumstances other than those as to which it is held invalid shall not be affected thereby and each provision of this Lease shall be valid and enforced to the fullest extent permitted by law.

25.7. Broker's Commissions. Tenant represents and warrants that there are no claims for brokerage commissions or finder's fees in connection with this Lease and agrees to indemnify Landlord against and hold it harmless from all liabilities arising from such claim, including any attorney's fees connected therewith.

25.8. Provisions Binding. Except as otherwise provided, all provisions herein shall be binding upon and shall inure to the benefit of the parties, their representatives, heirs, successors and assigns.

25.9. Entire Agreement. This Lease, including any exhibits attached hereto, sets forth the entire agreement between the parties. Any prior conversations or writings concerning the lease of the Premises are merged herein and extinguished.

26. AUTHORITY OF SIGNATORIES.

Each person executing this Lease individually and personally represents and warrants that he is duly authorized to execute and deliver the same on behalf of the entity for which he is signing (whether it be a corporation, general or limited partnership, or otherwise) and that this Lease is binding upon said entity in accordance with its terms.

27. DISCLOSURE OF PRINCIPALS.

Pursuant to Resolution R-105-99 adopted by the City of Las Vegas City Council effective October 1, 1999, Tenant warrants that it has disclosed on the form attached as Exhibit "B", all principals and partners of THE SALVATION ARMY, a California Corporation, as well as all persons and entities holding more than a one percent (1%) interest in THE SALVATION ARMY, a California Corporation, or any principal of THE SALVATION ARMY, a California Corporation. Throughout the term hereof, THE SALVATION ARMY, a California Corporation, shall notify Landlord in writing of any material change in the above disclosure within 15 days of any such change.

...

...

28. MODIFICATIONS OR AMENDMENTS.

Upon approval of this initial contract by the City Council and after it has been fully executed by signature of all parties, staff of the Real Estate & Asset Management Division shall have the authority to complete and execute any additional documents necessary for the completion of the intent of this contractual obligation during the original term of this agreement. As an example, this may include amendments, changes of address, changes of suites, change of warehouse space, escrow document signature authority, adjustments to monetary revenue or expenditure not to exceed ten thousand (\$10,000.00) dollars, filing and recording of appropriate documents with the County Recorders Office or the County Tax Assessors Office, and recordings and filing with the City Clerk's Office. No amendment, change or modification of this Agreement shall be valid unless in writing and signed by all parties hereto.

**GUARANTEED:**

FOR VALUE RECEIVED, the undersigned hereby unconditionally guarantees the prompt and faithful execution and performance by Tenant of all of the obligations of Tenant set forth within this Lease and any modifications of said Lease.

IN WITNESS WHEREOF, the parties hereto have executed this Lease on the date and year set forth above.

ATTEST:

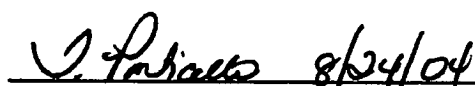
"Landlord" CITY OF LAS VEGAS

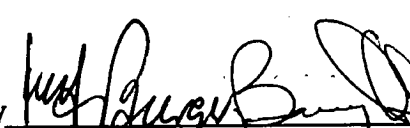
  
BARBARA JO RONEMUS, CITY CLERK

By   
OSCAR B GOODMAN, MAYOR

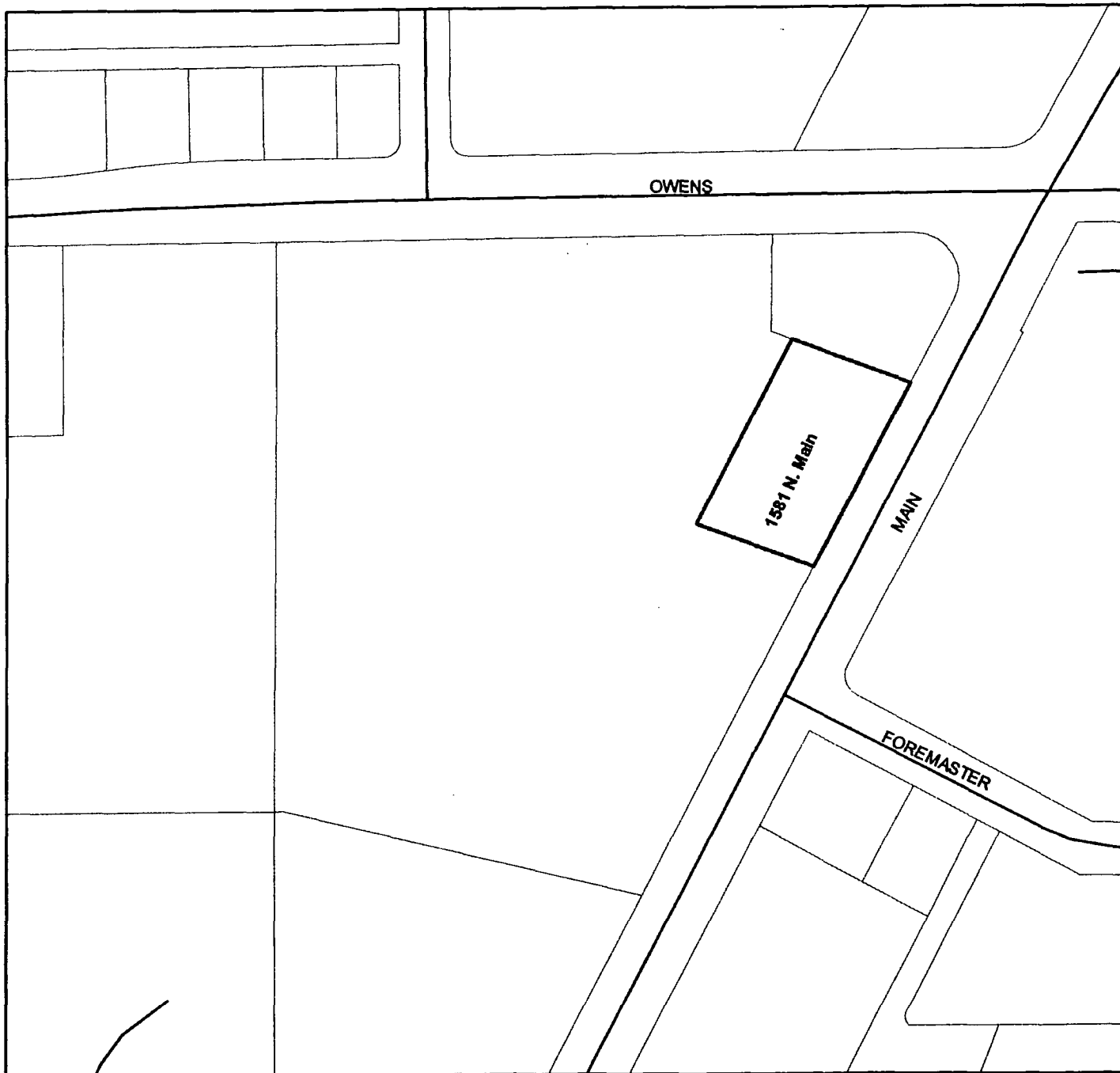
"Tenant" THE SALVATION  
ARMY, a California  
Corporation

APPROVED AS TO FORM:

 8/24/04  
DEPUTY CITY ATTORNEY/DATE

By    
Treasurer Asst Secretary 10-1-04





## Site Map

### Legend

-  Street Centerline
-  Parcels
-  scl\_majors
-  City of Las Vegas

Real Estate & Asset Mgmnt



8/26/2004

|                                                                                                                                          |                                  |                                          |                    |
|------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------|------------------------------------------|--------------------|
| <b>Block 1</b>                                                                                                                           | <b>Contracting Entity (Name)</b> | <b>Block 2</b>                           | <b>Description</b> |
| The Salvation Army<br>Name<br>2900 Palomino Lane<br>Address<br>Las Vegas, NV 89107<br>EIN or Social Security #      - - - - - 88-0148782 |                                  | Subject Matter of<br>Contract/Agreement: |                    |

|                                                                                                                                                                             |                         |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------|
| <b>Block 3</b>                                                                                                                                                              | <b>Type of Business</b> |
| <input type="checkbox"/> Individual <input type="checkbox"/> Partnership <input type="checkbox"/> Limited Liability Company <input checked="" type="checkbox"/> Corporation |                         |

| <b>Block 4</b>                                                                                                                                                                                                                          | <b>Disclosure of Ownership and Principals</b> |                  |                |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------|------------------|----------------|
| In the space below, the Contracting Entity must disclose all principals (including partners) of the Contracting Entity, as well as persons or entities holding more than one-percent (1%) ownership interest in the Contracting Entity. |                                               |                  |                |
|                                                                                                                                                                                                                                         | FULL NAME/TITLE                               | BUSINESS ADDRESS | BUSINESS PHONE |
| 1.                                                                                                                                                                                                                                      |                                               |                  |                |
| 2.                                                                                                                                                                                                                                      |                                               |                  |                |
| 3.                                                                                                                                                                                                                                      |                                               |                  |                |
| 4.                                                                                                                                                                                                                                      |                                               |                  |                |
| 5.                                                                                                                                                                                                                                      |                                               |                  |                |
| 6.                                                                                                                                                                                                                                      |                                               |                  |                |
| 7.                                                                                                                                                                                                                                      |                                               |                  |                |
| 8.                                                                                                                                                                                                                                      |                                               |                  |                |
| 9.                                                                                                                                                                                                                                      |                                               |                  |                |
| 10.                                                                                                                                                                                                                                     |                                               |                  |                |

N.A.

The Contracting Entity shall continue the above list on a sheet of paper entitled "Disclosure of Principals – Continuation" until full and complete disclosure is made. If continuation sheets are attached, please indicate the number of sheets: -0-

**THE SALVATION ARMY, A CALIFORNIA CORPORATION**  
**BOARD OF DIRECTORS**  
July 15, 2002

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**C. BRUCE JONES**  
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**(562) 491-8726**

**SHARON M. ROBERTSON**  
**DIRECTOR**  
**180 E OCEAN BLVD**  
**LONG BEACH, CA 90802**  
**(562) 491-8407**

**Block 5** Disclosure of Ownership and Principals - Alternate

If the Contracting Entity, or its principals or partners, are required to provide disclosure (of persons or entities holding an ownership interest) under federal law (such as disclosure required by the Securities and Exchange Commission or the Employee Retirement Income Act), a copy of such disclosure may be attached to this Certificate in lieu of providing the information set forth in Block 4 above. A description of such disclosure documents must be included below.

Name of Attached Document: N.A.

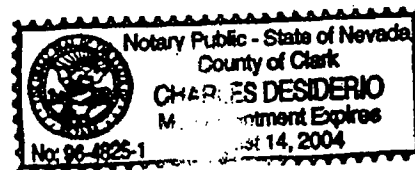
Date of Attached Document: \_\_\_\_\_ Number of Pages: \_\_\_\_\_

I certify, under penalty of perjury, that all the information provided in this Certificate is current, complete, and accurate. I further certify that I am an individual authorized to contractually bind the above named Contracting Entity.

Walter L. Kief  
Name  
8/28/2003  
Date

Subscribed and sworn to before me this 28<sup>th</sup>  
day of August

Charles Desiderio, 2003.  
Notary Public



**AGENDA SUMMARY PAGE**  
**CITY COUNCIL MEETING OF: SEPTEMBER 15, 2004**

---

**DEPARTMENT: CITY MANAGER****DIRECTOR: DOUGLAS A. SELBY**☐**CONSENT**☒**DISCUSSION****SUBJECT:****ADMINISTRATIVE:**

Discussion and possible action regarding the City's role and involvement in the Veteran's Day Parade (\$7,500 – Special Revenue Fund)

**Fiscal Impact**☐**No Impact****Amount: \$7,500**☒**Budget Funds Available****Dept./Division: City Manager**☐**Augmentation Required****Funding Source: Special Revenue Fund****PURPOSE/BACKGROUND:**

The Las Vegas Veteran's Day Parade Committee has requested \$16,379 in financial support from the City for the 2004 Veteran's Day Parade (to be held on Thursday, November 11, 2004). Ordinance 5567 provides the City Manager authority to grant waivers of up to \$7,500 per parade in fees for city services; authority to act on requests exceeding \$7,500 or to provide other financial support in connection with a parade rests with the City Council. For the 2003 Veteran's Day Parade, the City approved a waiver of up to \$11,668.50 to cover the difference in the proposed budgeted amount over the funding provided by a Clark County grant (\$10,000). The City's contribution covered the City costs (cleanup, showmobile rental and cleanup, and bleacher rental and cleanup) as well as the cost for Metropolitan Police requirements, the barricade plan and some communications equipment rental.

**RECOMMENDATION:**

Consider the request by the Parade Committee and direct staff as appropriate.

**BACKUP DOCUMENTATION:**

1. Las Vegas Veteran's Day Parade Committee letter
2. 2004 Proposed Project Budget
3. Submitted at meeting: folder containing leaflet and flyer promoting the Veterans Day Parade and letter from the Veterans Day Parade Committee with attached entrant forms

**MOTION:**

**GOODMAN – APPROVED financial support in the amount of \$16,379 and directed staff to seek reimbursement from Fremont Street Experience, LLC, for this year's parade and to also try to create a partnership for next year's parade – UNANIMOUS**

**MINUTES:**

**WILLIAM STOJACK**, Chairman of the Veterans Day Parade Committee, submitted a promotional package, which is made a part of these final minutes, and said that this year the Veterans Parade Committee partnered with Nellis Air Force Base, who is celebrating its Aviation Nation celebration for the 60<sup>th</sup> anniversary of the D-Day Invasion. The County was concerned

CITY COUNCIL MEETING OF SEPTEMBER 15, 2004

Administrative

Item 73 – Discussion and possible action regarding the City's role and involvement in the Veteran's Day Parade (\$7,500 – Special Revenue Fund)

**MINUTES – Continued:**

about this year's parade budget because it is in excess of \$90,000; however, that is because this year's budget reflects in-kind contributions supporting the parade. Also, expenses for police service is more expensive, about \$3,800, because the parade is on the actual Veteran's Day holiday. He went over the type of advertising literature included in the promotional package. Also, three public service announcements were produced with in-kind contributions. It is anticipated that the air show will attract over 100,000 people this year, 30% of which are tourists. He explained that the Committee is trying to become less dependent on the City and County, and has even raised its entrant fees. Last year the parade was televised in San Diego, and this year it will be carried nationwide.

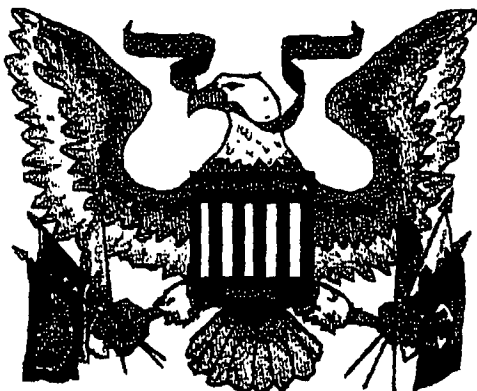
MAYOR GOODMAN asked MR. STOJACK how much money the Committee requested from the County. MR. STOJACK answered that it petitioned the County for \$20,000, but it only awarded them \$10,000 because they said the parade is held in the City. MAYOR GOODMAN felt that was a valid reason for the City to help the Committee with the parade. He then asked CITY MANAGER SELBY to seek reimbursement from Fremont Street Experience, LLC., since it benefits from the people that come to the downtown area. Also, he noted that he was shocked to find out that the air show is gratis.

MAYOR GOODMAN asked MR. STOJACK if he has approached the Convention Authority for assistance, because the parade brings in millions of dollars in room tax. MR. STOJACK answered that he intends to do so. MAYOR GOODMAN felt strongly that providing assistance is the right thing to do, especially after the many sacrifices veterans have made to make this country what it is. COUNCILMAN MACK mentioned that the exposure the City of Las Vegas will receive is worth the expenditure.

DEPUTY CITY MANAGER FRETWELL verified with MAYOR GOODMAN that he wants staff to seek reimbursement from Fremont Street Experience, LLC, for the City's contribution portion to this year's parade and to also try to create a partnership for next year's parade.

(9:55 – 10:04)

1-1697



# Las Vegas Veterans Day Parade Committee

2540 So. Maryland Pkwy., P.M.B. # 114, Las Vegas, NV 89109

702-313-7132; Fax: 702-313-7132

lvvetparade@hotmail.com; www.lvvetparade.org

Sponsored by VFW Post #1753

Endorsed by the Nevada Office of Veterans' Services

Veterans Of Foreign  
Wars

American  
Legion

Vietnam  
Veterans  
Of America

Veterans  
Of Overseas  
Military Service

Women  
Veterans  
Of America

Marine Corps League

American ex  
Prisoners of War

Army & Air  
National Guard

Oasis Chapter  
MVA

U.S. Air Force

World of Wings

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The Talk Station  
AM 840 KXNT

RKS Mortgage

Clark County

City of  
Las Vegas

Nevada City Council's  
Action

Fremont Street Ex-  
perience

Northern

Oasis MVA

1 September 2004

City of Las Vegas Commission

RE: 2004 Las Vegas Veterans Day Parade

The Committee would like to extend its gratitude to the City Council members or all of their support for the Las Vegas Veterans Day Parades each year.

The Las Vegas Veterans Day Parade is becoming one of the premier Veterans Day Parades in the Country. The 2003 Parade participation increased, with increased military support, more locals and groups from as far away as San Francisco and Phoenix. The highest-ranking officers from Nellis marched with their troops and then stood on the Review Stand the entire Parade. The Parade was broadcast live on Cox Communication's Las Vegas ONE Television Station.

This annual event demonstrates to the Nation that the citizens of Southern Nevada deeply appreciate the sacrifices that our Veterans have made to insure our Country is secure and our freedoms are protected. We are working hard to insure that this year's Parade will be a Parade to remember. Aviation Nation is joining with the Committee to provide a short Parade In The Sky. Fremont Street Experience is kicking off their weekend long "Tribute To The Troops" with their increased support of the Parade.

We ask the City to continue to extend its financial support for the 2004 Veterans Day Parade—we are asking for \$16,379—as reflected in our line item budget.

Thank you.

Sincerely,

*William Stojack*  
William Stojack  
Chairman

**Las Vegas Veterans Day Parade Committee****2004 PROPOSED Project Budget**

Format initially based on the Clk City Grant appl budget format

|                                                          | County          | City            | In-Kind          |
|----------------------------------------------------------|-----------------|-----------------|------------------|
| <b>Supplies</b>                                          | <b>800.00</b>   |                 |                  |
| Exp: ribbons for each entrant, Vets bleachers decoration |                 |                 |                  |
| <b>Supplies</b>                                          | <b>1,600.00</b> |                 |                  |
| Exp: 1/2 letterhead, cards, etc. 1/2 promotional         |                 |                 |                  |
| <b>Supplies</b>                                          | <b>1,600.00</b> |                 |                  |
| Exp: Promotional, Parade, Special Entrant                |                 |                 |                  |
| <b>Supplies</b>                                          | <b>1,000.00</b> |                 |                  |
| Exp: promotional, reports, invitations, info sharing     |                 |                 |                  |
| <b>Supplies</b>                                          | <b>600.00</b>   |                 |                  |
| Exp: promotional.                                        |                 |                 |                  |
| <b>Professional Services - Security Chief consultant</b> | <b>2,000.00</b> |                 |                  |
| Exp: crowd control, marshals coordination                |                 |                 |                  |
| <b>Travel, expenses - Invited Marshals</b>               |                 | <b>2,000.00</b> | <b>2,000.00</b>  |
| Exp: rooms, meals, transportation                        |                 |                 |                  |
| <b>Travel, expenses - Invited marching band</b>          |                 | <b>1,000.00</b> | <b>1,000.00</b>  |
| Exp: Committee invited 300th Army Marching Band          |                 |                 |                  |
| <b>Utilities - phone (&amp; Long Distance calls)</b>     | <b>305.00</b>   | <b>200.00</b>   |                  |
| Exp: annual phone bill, long distance charges            |                 |                 |                  |
| <b>Insurance</b>                                         |                 | <b>2,000.00</b> |                  |
| Exp: portion of VFW insurance for the Parade             |                 |                 |                  |
| <b>Office Equipment</b>                                  | <b>0.00</b>     |                 | <b>3,000.00</b>  |
| Exp: laptop for Committee administrative support         |                 |                 |                  |
| <b>Other</b>                                             | <b>0.00</b>     |                 |                  |
| <b>Construction</b>                                      | <b>0.00</b>     |                 |                  |
| <b>Engineering and Design</b>                            | <b>0.00</b>     |                 |                  |
| <b>Land Acquisition</b>                                  | <b>0.00</b>     |                 |                  |
| <b>Planning Activities</b>                               | <b>0.00</b>     |                 |                  |
| <b>Rehabilitation Activities</b>                         | <b>0.00</b>     |                 |                  |
| <b>Relocation</b>                                        | <b>0.00</b>     |                 |                  |
| <b>Salaries, Fringe Benefits - In Kind</b>               |                 |                 | <b>12,000.00</b> |
| Exp: administrative support provided by RKS Mtg.         |                 |                 |                  |
| <b>Barriers</b>                                          |                 | <b>2,000.00</b> |                  |
| Exp: DOP (Day of Parade)                                 |                 |                 |                  |
| <b>Metropolitan Police</b>                               |                 | <b>4,000.00</b> |                  |
| Exp: DOP (Day of Parade)                                 |                 |                 |                  |
| <b>Portable toilet rentals/sinks/pumping</b>             |                 | <b>2,030.00</b> |                  |
| Exp: DOP (Day of Parade)                                 |                 |                 |                  |
| <b>Showmobile</b>                                        |                 | <b>3,200.00</b> |                  |



|                                                                                  |             |           |           |
|----------------------------------------------------------------------------------|-------------|-----------|-----------|
| Bleachers rental Vets (1) & onlookers (2)                                        | 3,030.00    |           |           |
| Exp: DOP (Day of Parade)                                                         |             |           |           |
| Street Clean up service                                                          |             | 1,649.00  |           |
| Exp: DOP (Day of Parade)                                                         |             |           |           |
| Post Parade Clean up service                                                     | 500.00      | 500.00    |           |
| Exp: hauling, storage                                                            |             |           |           |
| Wireless Communications                                                          | 1,000.00    |           | 1,000.00  |
| Exp: Day Wireless phones, wireless donation                                      |             |           |           |
| Post Parade                                                                      | 1,000.00    |           |           |
| Exp: Young entrants' BBQ                                                         |             |           |           |
| Post Parade                                                                      | 500.00      |           | 500.00    |
| Exp: entertainers' meals, drinks                                                 |             |           |           |
| Post Parade                                                                      | 500.00      |           | 500.00    |
| Exp: volunteer meals, drinks                                                     |             |           |           |
| Post Parade - venue                                                              |             | 1,000.00  | 1,000.00  |
| Exp: venue                                                                       |             |           |           |
| Supplies - Awards Sub Committee                                                  |             | 1,000.00  | 2,000.00  |
| Exp: plaques, trophies, awards ceremonies, venue Las Vegas Club                  |             |           |           |
| Postage                                                                          |             | 500.00    | 500.00    |
| Exp: entrant solicitation, notification & invitations                            |             |           |           |
| Marketing - Media advertising (Incl. Full page ads)                              | 1,000.00    | 5,000.00  | 12,000.00 |
| Exp: Incl. Full page ads, radio spots, TV spots                                  |             |           |           |
| Marketing                                                                        |             | 750.00    | 1,000.00  |
| Exp: promotional products, booth by Las Vegas Office Furniture                   |             |           |           |
| Marketing                                                                        |             |           | 1,500.00  |
| Exp: consultant, press clipping service                                          |             |           |           |
| Marketing                                                                        |             | 230.00    | 1,000.00  |
| Exp: Server-@ \$230, webmaster consultant                                        |             |           |           |
| Marketing                                                                        |             | 500.00    | 5,000.00  |
| Exp: Cox sponsored TV PSA production (3), transportation, vehicles: Bill Stojack |             |           |           |
| Marketing                                                                        |             | 450.00    | 5,000.00  |
| Exp: Fundraiser - venue donation, promotion, services                            |             |           |           |
|                                                                                  | 15,335.00   | 28,009.00 | 49,000.00 |
| Sponsor Grant request subtotal                                                   |             | 43,344.00 |           |
| Requested funds                                                                  | 15,000.00   | 25,000.00 |           |
| County contribution promised 5/21/04                                             | \$10,000.00 |           |           |
|                                                                                  | \$5,335.00  |           | 92,344.00 |

CLV  
\$16,379

Parade Grand Marshal

Honorable Mayor  
Oscar Goodman



Parade Co - Marshal

Veterans Day 50th Anniversary  
Historical Re-enactment  
Revolutionary War to  
Present Day



Parade Co - Marshal

Aviation Nation  
World of Wings  
Air Show Vintage Warbirds



Parade Co - Marshals

Hap Halloran  
World War II D-Day Veterans  
Glacier Girl



## ***Veterans Day***

Veterans Day is a national holiday because it is important to honor the Soldiers & Veterans that go overseas to keep our borders secure, and then return home to take up their lives once again, either as civilians or career military personnel.

The Las Vegas Veterans Day Parade is the Valley's way of acknowledging the personal bravery and sacrifices of our Soldiers — saying Thank You in this season of celebration without regard to politics or military branch of service — is a great Thank You!

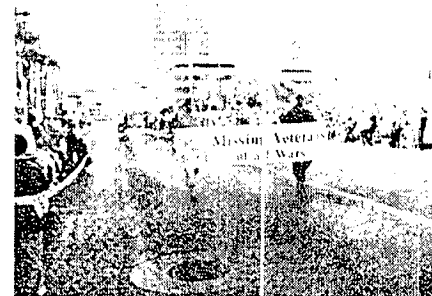
The Las Vegas Veterans Day  
Parade Committee holds  
their

**Veterans Day  
Parade**  
**on Veterans Day**  
**every year from**  
**10:00 am until**  
**1:00 pm along 4th**  
**St downtown,**  
**between Cass and**  
**Ogden!**  
Post-Parade activities begin  
at noon, on the Fremont  
Street Experience and in the  
Neonopolis,  
from noon to 4:00 pm

**Las Vegas  
Veterans Day  
Parade Committee**  
of the Veterans of  
Foreign Wars Fred S.  
Pennington Post 1753

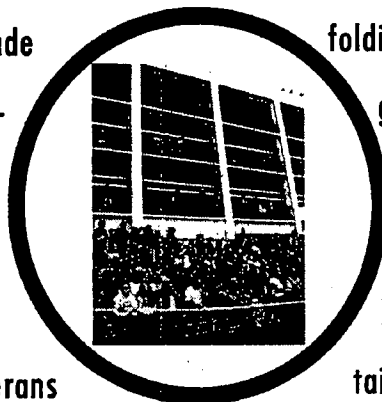
[www.lvvetparade.org](http://www.lvvetparade.org)

2540 So. Maryland  
Pkwy.,  
P.M.B. #114  
Las Vegas, NV 89109  
Phone/Fax:  
702-  
313-7132



## Attend the Parade!!!!

The Las Vegas Veterans Day Parade Committee invites you to participate in the Valley's own special Thank You to Military Veterans and Soldiers on this Veterans Day—by getting out to the Veterans Day Parade in downtown Las Vegas!



*Volunteerism is key to the Parade's success — join with your community!*

On November 11th, Veterans Day—grab a folding chair or two—and bring all generations of your family and your friends to be with our Veterans. Stay the day! Watch the Parade and enjoy all the entertainment and family activities.

There is always plenty of parking in

the Fremont Street Experience Parking Garage with special low Parade Parking fees and special entrance on Carson Street for the Parade. There is parking on all the side streets, too, and the CAT Bus System brings attendees in from all four compass directions!

So be at the Parade with everyone else!

***Give of yourself as Veterans have also done—Today you can say Thank You with your Time, a Donation, or a Sponsorship***

### ***Individual Sponsorship***

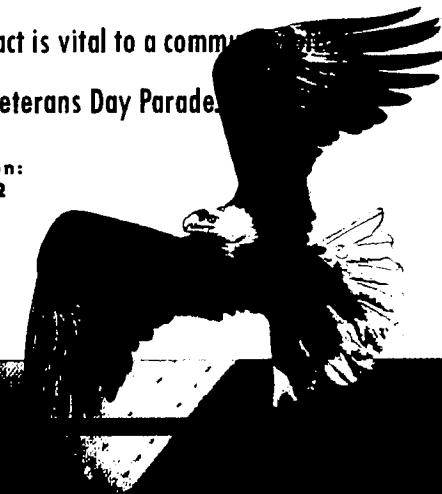
In this day and age, many people are barely keeping up with their own schedules, let alone any other duties—if you feel that the best approach for you would be a donation of funds, rather than time, please consider a donation to the Parade. The Committee seeks financial stability and your help would be greatly appreciated.

### ***Corporate—level Sponsorship***

City of Las Vegas and Clark County are our leading sponsors, as are Cox Communications, Fremont Street Experience, Neonopolis, RKS Mortgage, Las Vegas Office Furniture, Wild Child Entertainment, JR Lighting, gotfootage.com, Wild Oats, US Air Force, US Marines, VFW Post 10047, Gold Coast, PierMarini and Friends, Fern Jennings and The Happy Hoofers, Krispy Kreme, Starbucks, and the Las Vegas Club.

***Volunteerism*** — Join in the fun of helping create the premier Veterans Day Parade in the Country, by working on one of the various Sub-Committees—serve on the Day Of Parade (DOP), the Post-Parade events or the USO Dance Sub-Committees! Even a few hours, the random idea, or contact is vital to a community event such as our Veterans Day Parade.

Contact person:  
702-313-7132  
Public  
Relations:  
Johnathan  
Abbinett  
Promotions:  
Billy Conn  
PIO: Carol



Thursday, November 11<sup>th</sup> at 10:00 am—Veterans Day Holiday

# 2004 Las Vegas Veterans Day Parade

**Join Us downtown Thursday, Nov. 11, to say Thank You to Veterans!**

**—Schools and Government Offices are closed for the Holiday—**

**Parade goes North  
up 4th St.  
from Charleston to  
Ogden**

**USAF Flyover at  
11:00 am**

and

**"Aviation Nation"  
Air Participation  
During the Parade!  
Their WWII Vintage  
Warbirds will also be seen**

**November 13th and 14th  
at "Aviation  
Nation"**



**Air Show at  
Nellis AFB**

**For More Info:  
702-313-7132 or  
www.  
lvvetparade.org**



## Post-Parade

**Activities  
For the whole Family  
Downtown  
on the  
Fremont Street Experience  
and  
Neonopolis  
Noon 'til 4:00 pm  
Music, Entertainment—FUN  
for Everyone !**

## FREMONT STREET EXPERIENCE

Presents

**"Salute To The Troops"  
All day, all weekend !  
Nov. 11th to the 14th  
Entertainment, Exhibits,  
Dancing and More !!**

**Cox Cable Television  
Channel 96 airs  
Live Broadcast  
and re-broadcasts of the Parade!  
Contact us to  
purchase your copy!**

**Honoring the 50th Anniversary of Veterans Day !**



Sponsored by **Las Vegas Veterans Day Parade Committee of The Veterans of Foreign Wars — Fred S. Pennington Post 1753**



**Las Vegas Veterans Day Parade**  
**Aviation Nation**  
**U.S. Air Force**  
**OASIS CHAPTER**

**COX**  
Your Friend in the Digital Age  
**RKS Mortgage**  
Las Vegas Office Furniture  
Post Parade Youth Parade Participant 900 Hosted by The VFW Post 10047

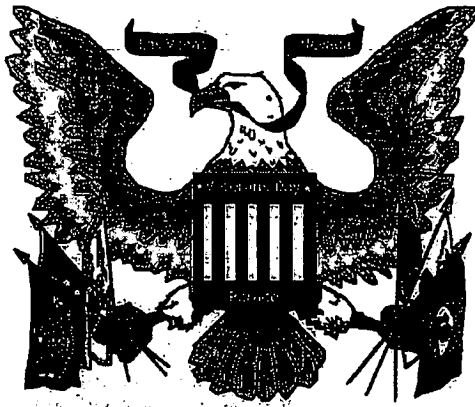
**"Salute to the USO"**  
**Gold Coast Casino**  
**Showroom**  
**Dance**  
**October 16**  
**Saturday**  
**7-10 PM**

**Las Vegas Club Hotel**  
**WILD CATS**  
**COMPANY 2nd BN 23rd Marines**  
**Back Fuel Motor Transport PG 6th Motor Transport BN**

**FREMONT STREET**  
**EXPERIENCE**  
**NEONOPOLIS**

Submitted at City Council

Date 9/5/04 Item #173



# Las Vegas Veterans Day Parade Committee

2540 So. Maryland Pkwy., P.M.B. # 114, Las Vegas, NV 89109

702-313-7132; Fax: 702-313-7132

lvvetparade@hotmail.com; www.lvvetparade.org

Sponsored by VFW Post #1753

Endorsed by the Nevada Office of Veterans' Services

29 August 2004

Hello I

The 2004 Las Vegas Veterans Day Parade is Thursday, November 11<sup>th</sup>, 2004...and we would like to invite you to participate this year.

The enclosed entrant forms for 2004 need to be returned as soon as you are able. The Parade Lineup policy is still 'Post Office date stamp order: forms received first in the mail are first in the Lineup order of each section.' Consider entering a float for your group!

Also, the Parade Committee is actively recruiting new volunteers with an interest in participating in the 2004 Parade organization. All citizens interested in saying 'Thank You' to Veterans in this unique manner are invited to attend the meetings at VFW Post 1753 at 750 Las Vegas Blvd, 1 block north of Bonanza (on the west side of the street, parking in the adjacent strip shopping mall parking lot.) The Committee meets regularly at 10:00 AM, Sundays each month, as there are so many things to accomplish. Upcoming meetings: Sept. 19th, Sept. 26th, and every Sunday thereafter 'til Veterans Day. You are very welcome—and needed!

Thank you,

William 'Bill' Stojack, Chairman

Jerry Adams, Co-Chairman

Veterans Of Foreign  
Wars

American  
Legion

Vietnam  
Veterans  
Of America

Veterans  
Of Underage  
Military Service

Women  
Veterans  
of Nevada

Marine Corps League

American ex-  
Prisoners of War

Amy & Air  
National Guard

Oasis Chapter  
MVPs

U.S. Air Force

World of Wings

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The Talk Station  
AM 340 KXNT

RKS Mortgage

Clark County

City of  
Las Vegas

Nevada Car Owner's  
Assoc.

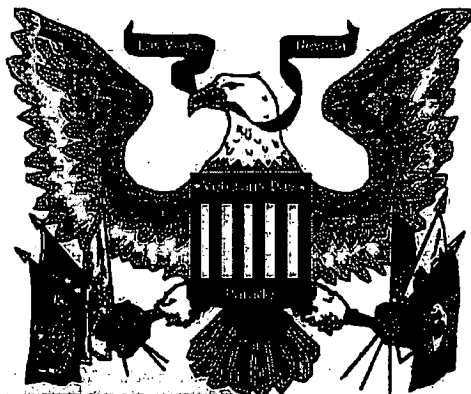
French Street Ex-  
perience

Neonopolis

Oasis MVPs

*PS: As 2004 is the 50th Anniversary of Veterans Day, The 2004 Veterans Day Parade Committee has selected the theme for this Parade to honor this special anniversary. The Co-Marshal for this year's first position is re-enactors of all Armed Forces Personnel, led by the Re-enactment Military Honor Guard representing America's history from the Revolution to the current conflicts. 'Enlisted' by the Committee, volunteer veterans and citizens, dressed in era-specific uniforms—as a reenactment of each era—are to march in successive troops at the front of the Parade. Commemorating Veterans of all wartime involvement; since the Revolutionary War brought our Country into existence—to present day conflicts—this Co-Marshal will be one to remember!*

*The Air Force flyover has always been a part of our Parade—last year they did their F-15's flyby at the eleventh hour. In addition to the F-15's, they will be participating this year with WWII vintage planes in town for the World of Wings 'Aviation Nation' show November 13th and 14th at Nellis. Cox Communications, our local cable company, not only covers the Parade and broadcasts—live—this year on Channel 96, they also organize re-broadcasts locally and regionally, as well.*



# Las Vegas Veterans Day Parade Committee

2540 So. Maryland Pkwy., P.M.B. # 114, Las Vegas, NV 89109

702-313-7132; Fax: 702-313-7132

[lvvetparade@hotmail.com](mailto:lvvetparade@hotmail.com)

Sponsored by VFW #1753

Endorsed by the Nevada Office of Veterans' Services

**Thursday — November 11<sup>th</sup> 2004 — Start Time: 10:00 AM;  
Check-in opens at 7:30 AM**

Veterans Of  
Foreign Wars

American  
Legion

Vietnam  
Veterans  
Of America

Veterans  
Of Underage  
Military Service

Women  
Veterans  
of Nevada

Marine Corps  
League

American ex-  
Prisoners of War

Army & Air  
National Guard

Oasis Chapter  
MVPA

U.S. Air Force

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Neopolis

Oasis MVPA

Name of Entry \_\_\_\_\_

Sponsor/Organization Name: \_\_\_\_\_

Address \_\_\_\_\_

Address City \_\_\_\_\_ State \_\_\_\_\_ Zip \_\_\_\_\_

Contact Name \_\_\_\_\_ Title \_\_\_\_\_

Phone \_\_\_\_\_ Cell \_\_\_\_\_ Fax \_\_\_\_\_

Email Address \_\_\_\_\_ @ \_\_\_\_\_

Description (Size) of Entry \_\_\_\_\_

**Entry Fee of \$100 for Commercial, Citizen and Political Entrants:**

\_\_\_ Business \_\_\_ Civic Org \_\_\_ Float \_\_\_\_\_

\_\_\_ Antique/Classic/Special Auto \_\_\_ Fraternal \_\_\_ other: \_\_\_\_\_

**Entry Fee of \$ 20 for the following Entrants:**

\_\_\_ Veterans Organization \_\_\_ Military \_\_\_ Government (Police/Firefighters, etc)

\_\_\_ Mounted Unit \_\_\_ Youth \_\_\_ Marching Unit/Bands

\_\_\_ Youth Drill Team \_\_\_ Children, (how many?) \_\_\_ other \_\_\_\_\_

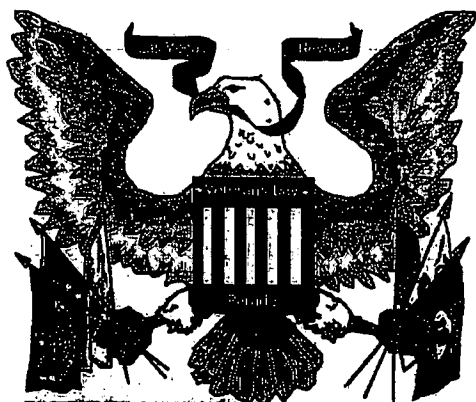
**I/We agree the participants in each entry are the responsibility of each entry. I/We hereby agree with, and hold harmless, the Las Vegas Veterans Day Parade Committee, its members, and the VFW Post # 1753, and its members, from any loss, damage, or injury resulting from the participation of the above entry in this Las Vegas Veterans Day Parade.**

**Signed:** \_\_\_\_\_

**Please letter your signature name here:** \_\_\_\_\_

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- **Make checks payable to: Veterans Day Parade.**
- **Entry deadline is October 4<sup>th</sup>, 2004.** Late registrations may be refused.
- The Parade Committee reserves the right to refuse any entry—for timeliness or appropriateness.



# Las Vegas Veterans Day Parade Committee

2540 So. Maryland Pkwy., P.M.B. # 114, Las Vegas, NV 89109

702-313-7132; Fax: 702-313-7132

[lvvetparade@hotmail.com](mailto:lvvetparade@hotmail.com)

Sponsored by VFW #1753

Endorsed by the Nevada Office of Veterans' Services

**Parade – Friday, November 11<sup>th</sup> 2004 – Start Time is 10:00 AM**

**Parade Staging Area:**

**4th Street from Gass to Colorado (south of Charleston)**

**Check-in opens 7:30 AM**

**Check-in Table: 4th & Hoover — send a representative to check in, get any last minute instructions, and get your 2004 streamer**

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It should include:

- Name of Entry/float/troop, etc.
- Sponsor/Organization Name (as shown on Page 1 of this Entry Form)

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- your organization name
- relevant person's names
- purpose/mission of your group
- when/where you meet if you are open to new members
- history of your group
- upcoming events of/for/by your group
- if you wish, other information exceeding 3 minutes can be included, just in case your group is the one in front of the TV cameras at odd moments, when everyone is waiting for the Parade to move again...which gives the announcers more to say about you while you're waiting or performing in front of the cameras or review stands.

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Veterans Of  
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American  
Legion

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Veterans  
Of America

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Women  
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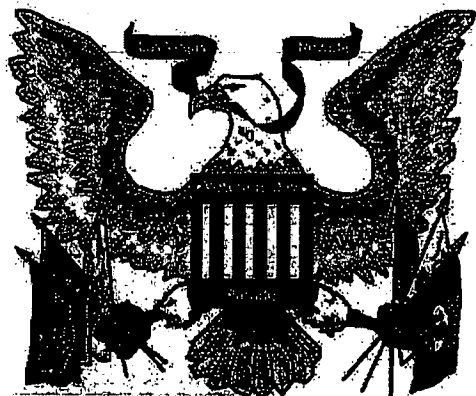
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September 1, 2004

For those interested in creating floats, here are some sites that may help you in your decisions.

## DISCLAIMER:

The Las Vegas Veterans Day Parade Committee makes no representations expressed or implied regarding the following companies for Parade Float materials—these are just a few of the many available on the Internet or in National phone directories.

[www.victorycorps.com](http://www.victorycorps.com) 800-328-6120

[www.paradedisplay.com](http://www.paradedisplay.com) 403-286-8557

[www.crs-enterprises.com](http://www.crs-enterprises.com) 218-724-2635

[www.valleydecorating.com](http://www.valleydecorating.com) 559-495-1100

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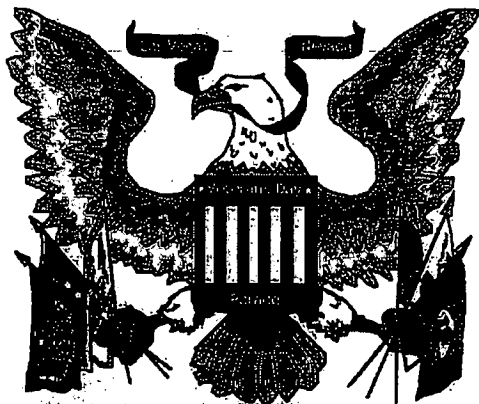
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**29 August 2004**

**Hello !**

**The 2004 Las Vegas Veterans Day Parade is Thursday, November 11<sup>th</sup>, 2004...and we would like to invite you to participate this year.**

**The enclosed entrant forms for 2004 need to be returned as soon as you are able. The Parade Lineup policy is still 'Post Office date stamp order: forms received first in the mail are first in the Lineup order of each section.' Consider entering a float for your group!**

**Also, the Parade Committee is actively recruiting new volunteers with an interest in participating in the 2004 Parade organization. All citizens interested in saying 'Thank You' to Veterans in this unique manner are invited to attend the meetings at VFW Post 1753 at 750 Las Vegas Blvd, 1 block north of Bonanza (on the west side of the street, parking in the adjacent strip shopping mall parking lot.) The Committee meets regularly at 10:00 AM, Sundays each month, as there are so many things to accomplish. Upcoming meetings: Sept. 19th, Sept. 26th, and every Sunday thereafter 'til Veterans Day. You are very welcome—and needed!**

**Thank you,**

**William 'Bill' Stojack, Chairman**

**Jerry Adams, Co-Chairman**

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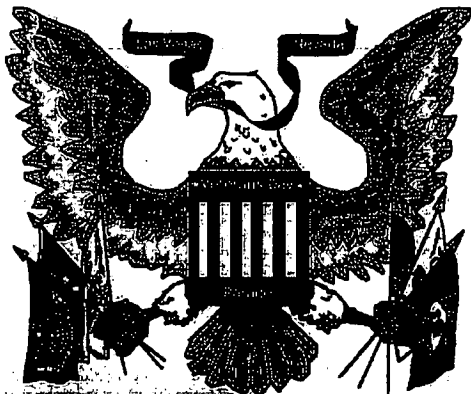
Fremont Street Ex-  
perience

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**PS: As 2004 is the 50th Anniversary of Veterans Day, The 2004 Veterans Day Parade Committee has selected the theme for this Parade to honor this special anniversary. The Co-Marshal for this year's first position is re-enactors of all Armed Forces Personnel, led by the Re-enactment Military Honor Guard representing America's history from the Revolution to the current conflicts. 'Enlisted' by the Committee, volunteer veterans and citizens, dressed in era-specific uniforms—as a reenactment of each era—are to march in successive troops at the front of the Parade. Commemorating Veterans of all wartime involvement; since the Revolutionary War brought our Country into existence—to present day conflicts—this Co-Marshal will be one to remember!**

**The Air Force flyover has always been a part of our Parade—last year they did their F-15's flyby at the eleventh hour. In addition to the F-15's, they will be participating this year with WWII vintage planes in town for the World of Wings 'Aviation Nation' show November 13th and 14th at Nellis. Cox Communications, our local cable company, not only covers the Parade and broadcasts—live—this year on Channel 96, they also organize re-broadcasts locally and regionally, as well.**



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Name of Entry \_\_\_\_\_

Sponsor/Organization Name: \_\_\_\_\_

Address \_\_\_\_\_

Address City \_\_\_\_\_ State \_\_\_\_\_ Zip \_\_\_\_\_

Contact Name \_\_\_\_\_ Title \_\_\_\_\_

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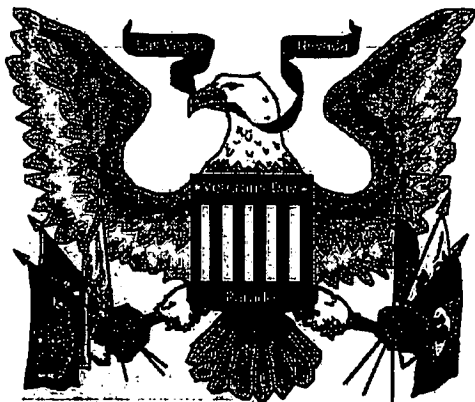
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[www.paradedisplay.com](http://www.paradedisplay.com)

403-286-8557

[www.crs-enterprises.com](http://www.crs-enterprises.com)

218-724-2635

[www.valleydecorating.com](http://www.valleydecorating.com)

559-495-1100

**AGENDA SUMMARY PAGE**  
**CITY COUNCIL MEETING OF: SEPTEMBER 15, 2004**

**DEPARTMENT: ADMINISTRATION**

**DIRECTOR: DOUGLAS A. SELBY**

☐

**CONSENT**

☒

**DISCUSSION**

**SUBJECT:**

**ADMINISTRATIVE:**

Report and possible action regarding the Clark County Health District staff presentation concerning West Nile Virus issues in Southern Nevada

**Fiscal Impact**

☒

**No Impact**

**Amount:**

☐

**Budget Funds Available**

**Dept./Division:**

☐

**Augmentation Required**

**Funding Source:**

**PURPOSE/BACKGROUND:**

The Clark County Health District will make a presentation concerning issues and activities related to the detection of the West Nile virus in Southern Nevada.

**RECOMMENDATION:**

Receive the report and direct staff accordingly.

**BACKUP DOCUMENTATION:**

Submitted after meeting: hardcopies of two PowerPoint presentations

**MOTION:**

**REESE – ACCEPTED the report - UNANIMOUS**

**MINUTES:**

COUNCILMAN REESE stated that, as a member of the Clark County Health Board, he was given a report, and he felt that it was important for the other Councilmembers and the public to receive the same presentation to realize the problems that may arise in Clark County, as well as in neighboring Nye and Lincoln Counties.

GLENN SAVAGE, Environmental Health Director, Clark County Health District, introduced KATIE DALEY, Epidemiologist, and DANIEL MAXSON, Special Projects Supervisor in the Environmental Health Division, who made PowerPoint presentations, which are made a part of the minutes. MS. DALEY updated the Council on the West Nile Virus, including modes of transmission, description of infection, human cases identified in Clark County, and protective measures. MR. MAXSON reported on the West Nile Virus Surveillance Project and the steps being taken in an attempt to prevent and control West Nile cases.

CITY COUNCIL MEETING OF SEPTEMBER 15, 2004

Administrative

Item 74 – Report and possible action regarding the Clark County Health District staff presentation concerning West Nile Virus issues in Southern Nevada

**MINUTES – Continued:**

COUNCILMAN REESE asked MR. MAXSON how many Health District employees check for stagnant water. MR. MAXSON responded that there are eight staff members.

MAYOR GOODMAN asked if it is true that mosquitoes do not transmit disease as a result of biting someone and then accumulating the blood, and a human cannot become infected with a disease such as AIDS from a mosquito bite. MR. MAXSON indicated that there are no known cases of that kind of transmission. Part of the reason is because of survivability and amplification in the population. West Nile is unique in that it amplifies through the birds. The mosquitoes bite the birds and then horses and humans, who are incidental hosts.

(10:04 – 10:22)

1-2065

# West Nile Virus Update: Human Cases, Clark County

Katie Daley, B.S.

Clark County Health District

Office of Epidemiology

September 15, 2004

WNV-#144  
9/15/04 CC



# Mode of Transmission

Primary mode of transmission:

*Bite of an infected mosquito*

Other potential modes of transmission:

- Blood transfusion
- Mother-Child during pregnancy
- Organ Transplant





# Description of West Nile Virus Infection

- 80% of infected individuals never become ill
- 20% of infected individuals develop mild illness called West Nile Fever
- 1 out of 150 infected individuals develop more severe illness, called West Nile Neuroinvasive Disease

# Description of West Nile Virus Infection

- West Nile Fever: Fever, headache, fatigue, body aches, muscle aches, skin rash, swollen lymph glands
- West Nile Neuroinvasive Disease (Meningitis, Encephalitis, Poliomyelitis):  
Headache, high fever, neck stiffness, stupor, disorientation, coma, tremors, convulsions, muscle weakness, paralysis

# Laboratory Testing for West Nile Virus

## Preliminary Testing:

- Antibody testing – Detecting antibodies indicates that the body has responded to an illness
- Infection with viruses in the same family as West Nile Virus (WNV) can cause the WNV antibody test to be positive



# Laboratory Testing for West Nile Virus

## Confirmatory Testing:

- Plaque Reduction Neutralization Test (PRNT) – this test is specific to West Nile Virus
- Positive result from this test indicates that West Nile Virus, not a related-virus, caused the current illness



# CCHD Human Case Surveillance

- Suspected West Nile Fever
- Suspected West Nile Neuroinvasive Disease
- Blood Donors with West Nile Virus Positive Tests

# Case Classification

## Probable Case Criteria:

- Symptoms that are consistent with WNV infection
- Antibody tests are positive to show recent infection, however *confirmatory testing has not been done*



# Case Classification

## Confirmed Case Criteria:

- Symptoms that are consistent with WNV infection
- Antibody tests are positive to show recent infection

*and*

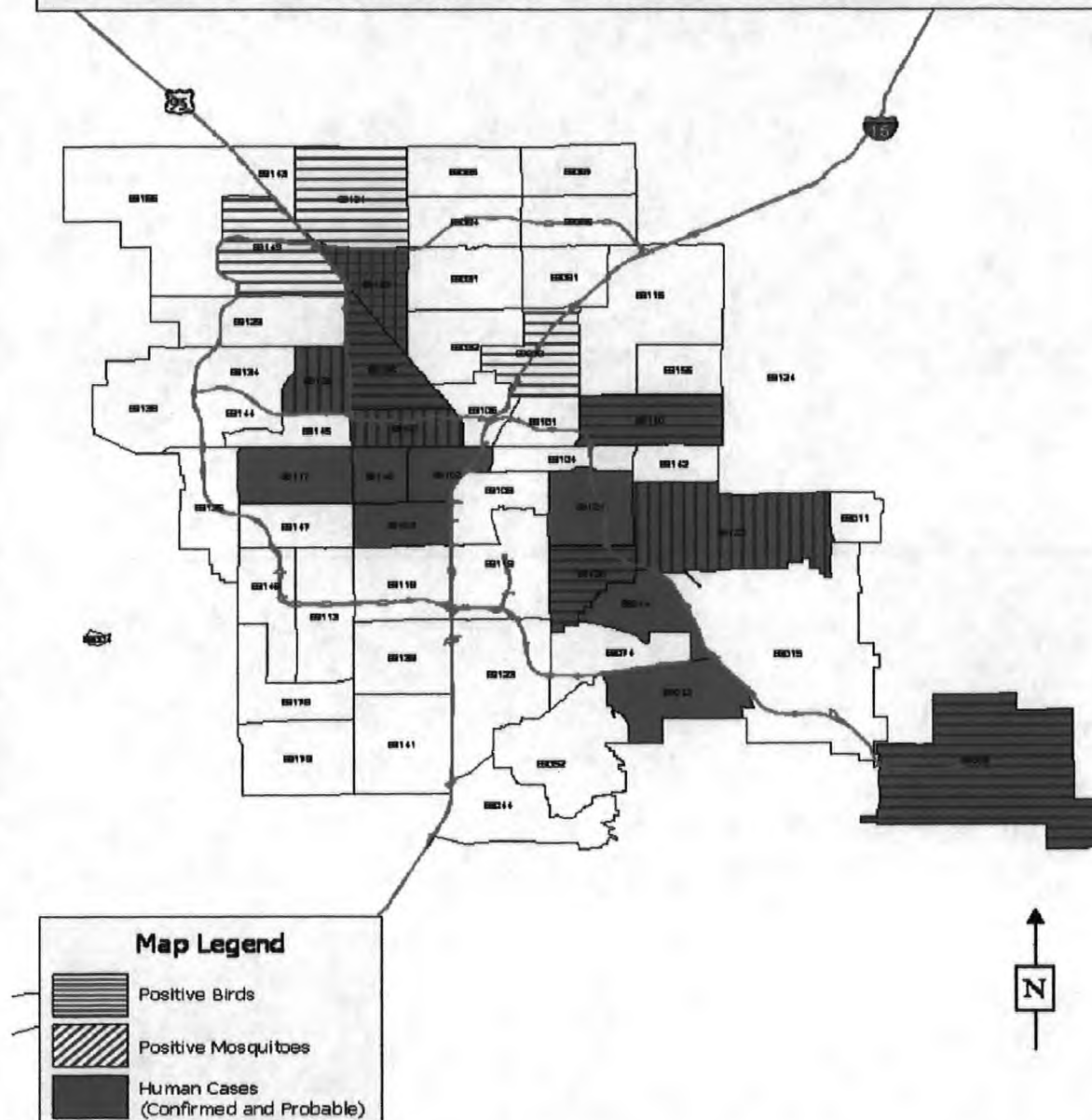
- Confirmatory testing is positive for West Nile Virus

# Current Human Case Count in Clark County (September 7, 2004)

- Confirmed: 8
- Probable: 9



# West Nile Virus 2004: County Zipcode Map Central Clark County, Nevada



# Exposure History

7/15 cases reported travel out of Clark County during the 3-14 days prior to onset of symptoms, however they were also in Clark County

8/15 cases were aware of recent mosquito bites

(Information unavailable for 2 individuals)

# Clinical Picture/Symptoms

- West Nile Fever: 6
- Neuroinvasive Disease: 10
- Undetermined: 1



# Clinical Picture/Symptoms

Fever: 100%

Headache: 94%

Muscle Weakness: 94%

Stiff neck: 44%

Altered Consciousness: 44%

Rash: 31%

(Symptom complex unavailable  
for 1 case)



# Use of Protective Measures

- 11/11 do not wear insect repellent containing DEET
- 9/11 do not wear long-sleeved shirts and pants while outdoors
- 8/10 do not eliminate sources of standing water
- 9/11 do not avoid time outside at dusk and dawn





# **West Nile Virus Surveillance Project**



**Presented to  
the Las Vegas  
City Council  
September 15, 2004**

**by**

**Daniel J. Maxson, R.E.H.S.  
Environmental Health Supervisor  
Special Programs**

9/15/04 CC  
MJS. #199

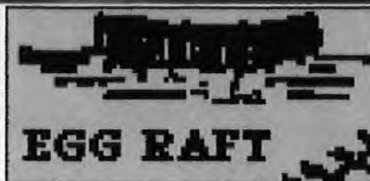
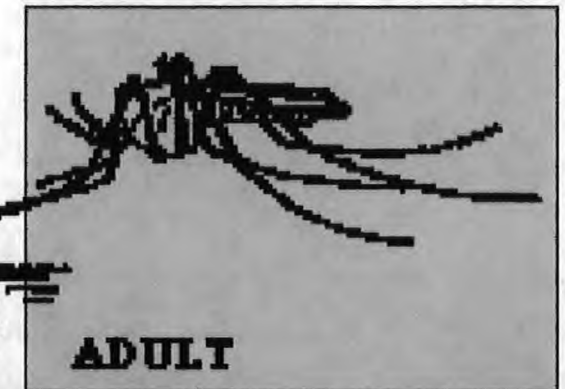
# **Why West Nile Virus (WNV) Surveillance Now?**

- ❖ **Emerging Illness in the United States**
  - Nevada one of the last states to have cases
  - Traveled from East Coast to West
- ❖ **High Level of Citizen Concern**
  - Most vulnerable to serious illness over age 50
- ❖ **Identification of Vectors and their Habitat Can Lead to Control**
  - Primary vector from birds to humans is the mosquito
- ❖ **Effective Control Can Prevent Human and Equine Cases**

# Mosquito: Primary Vector to Humans



Adult emerging  
from pupa



EGG RAFT



PUPA



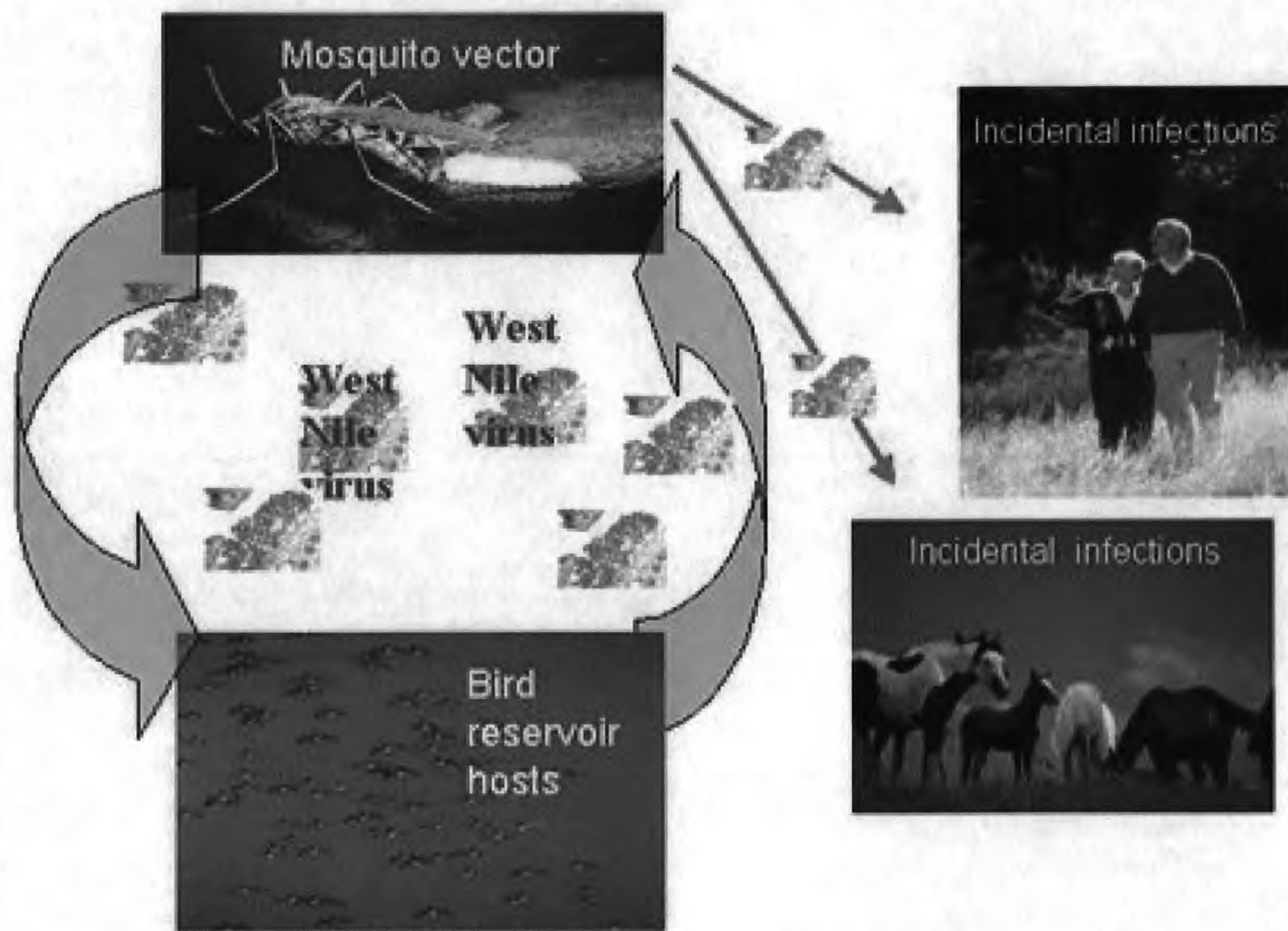
LARVA



Mosquito Life Cycle



# West Nile Virus Transmission Cycle



# **Elements of WNV Surveillance Project**

## **❖ Bird Surveillance**

- Domestic chicken sentinel flocks (5)
- Corvids (ravens, crows, blackbirds, jays)
- Raptors (hawks and eagles)

## **❖ Mosquito Surveillance**

- Mosquito collection and testing

## **❖ Horse Surveillance**

- WNV-positive horses

## **❖ Remote County Surveillance**

- Nye and Lincoln County mosquitoes

# Mosquito Surveillance



## Mosquito Traps



# Remote County Surveillance





# **Interagency Project**

## **❖ Working with Clark County Vector Control to Abate Sources of Harborage**

- CCHD has four teams of 2 members recently certified by NV State Dept. of Agriculture as Certified Applicators specializing in mosquito abatement**

# Identification of At-Risk Areas

- ❖ Identification and Treatment of Stagnant Water Sites is *Number One Priority!*
- ❖ Asking citizens, real estate agents, loan agents, and gardeners to report stagnant:
  - Swimming pools
  - Spas
  - Fish ponds
  - Pooled sprinkler run-off water
  - Fountains
  - Containers of water
  - Abandoned tires

# At-Risk Areas in Clark County



**Poorly  
Maintained  
Swimming  
Pools**



# At-Risk Areas in Clark County



**Poorly  
Maintained  
Decorative Water  
Features**





# At-Risk Areas in Clark County



**Stagnant Water  
in Public Park**

**Alteration to  
Natural Desert  
Ecosystem is  
Significant**



# At-Risk Areas in Rural Nevada



**Beatty, NV**



# Treatment of At-Risk Areas

- ❖ **Once identified and verified, abatement is required and treatment is applied to at-risk areas**
  - **Persons responsible for the site are asked to contact Vector Control for assistance in abatement**
  - **Most people have been readily cooperative**
  - **Resistant people have been given a written notice to abate by the abatement team members with consequences if abatement is not done**

# Treatment of At-Risk Areas

## ❖ Treatment consists of:

- Changing the area so that it does not provide good habitat for mosquito development
  - Agitate water
  - Remove water source
  - Prevent pooling of water
- Applying live minnows to consume the larvae
- Applying pellet larvicide
- (Requiring people to properly maintain their pools, spas, and decorative water features



# The Future of WNV Surveillance and Abatement

## ❖ **Continue to Abate At-Risk Areas in Cooperation with:**

- **Vector Control**
- **Nevada Department of Agriculture**
- **Parks and Recreation**
- **Public Works**
- **Bureau of Land Management**
- **Private Citizens**
- **Real Estate Agents**

## ❖ **Monitor Human and Equine Cases**

## ❖ **Surveillance of Bird and Mosquito Populations**

**AGENDA SUMMARY PAGE**  
**CITY COUNCIL MEETING OF: SEPTEMBER 15, 2004**

**DEPARTMENT: BUSINESS DEVELOPMENT**

**DIRECTOR: SCOTT D. ADAMS**

☐

CONSENT

☒

DISCUSSION

**SUBJECT:**

Report on the New Markets Tax Credit application process and on requests from three community groups to receive participation from the City of Las Vegas in support of their respective applications to the Department of Treasury - Wards 1 and 5 (Moncrief and Weekly)

**Fiscal Impact**

☒

No Impact

Amount:

☐

Budget Funds Available

Dept./Division:

☐

Augmentation Required

Funding Source:

**PURPOSE/BACKGROUND:**

The U.S. Department of Treasury, through its Community Development Financial Institutions Fund, has released a Notice of Allocation Availability for New Markets Tax Credits. New Markets Tax Credits can be used by private investors which make qualified investments in low-income communities. Qualified investments include loans to businesses in low-income communities and commercial real estate development loans in low-income communities. The application is a two-step process. An applicant first must be qualified as a Community Development Entity by the Department of Treasury. Once qualified, the applicant must submit a New Markets Tax Credit application by October 6, 2004. Applications are evaluated according to the applicant's business strategy, capitalization strategy, management capacity, and community impact. There are three applications being proposed from local community groups.

**RECOMMENDATION:**

Report only; no action required.

**BACKUP DOCUMENTATION:**

1. Notice of Allocation Availability Community Development Financial Institutions Fund
2. Submitted after meeting: hardcopy of PowerPoint presentation

**MOTION:**

None required. A report was given.

**MINUTES:**

A Verbatim Transcript is made a part of the Final Minutes.

**APPEARANCES:**

OSCAR GOODMAN, Mayor

SCOTT ADAMS, Director, Office of Business Development

BRAD JERBIC, City Attorney

CITY COUNCIL MEETING OF SEPTEMBER 15, 2004

Business Development

Item 75 – Report on the New Markets Tax Credit application process and on requests from three community groups to receive participation from the City of Las Vegas in support of their respective applications to the Department of Treasury - Wards 1 and 5 (Moncrief and Weekly)

APPEARANCES – Continued:

MIKE MUSHKIN, 930 S. Third Street

JACK SOLOMON, President, Las Vegas Arts District Neighborhood Association

ED GARCIA, Jones Vargas, World Market Center

(10:22 – 10:47)

1-2928/2-1

upon any agencies or other persons who commented during its preparation.

Other interested persons may contact SEA to obtain a copy of the EA (or EIS). EAs in these abandonment proceedings normally will be made available within 60 days of the filing of the petition.

The deadline for submission of comments on the EA will generally be within 30 days of its service.

Board decisions and notices are available on our Web site at <http://www.stb.dot.gov>.

Decided: August 4, 2004.

By the Board, David M. Konschnik,  
Director, Office of Proceedings.

Vernon A. Williams,  
Secretary.

[FR Doc. 04-18150 Filed 8-11-04; 8:45 am]  
BILLING CODE 4915-01-P

## DEPARTMENT OF THE TREASURY

### Community Development Financial Institutions Fund

#### Funding Opportunity Title: Notice of Allocation Availability (NOAA) Inviting Applications for the CY 2005 Allocation Round of the New Markets Tax Credit Program

**Announcement Type:** Initial announcement of tax credit allocation availability.

**Dates:** Electronic applications must be received by 5 p.m. ET on October 6, 2004. Paper applications must be postmarked on or before October 6, 2004 and received by 5 p.m. ET on October 14, 2004 (see Section IV.D. of this NOAA for more details). Applications must meet all eligibility and other requirements and deadlines, as applicable, set forth in this NOAA. Allocation applicants that are not yet certified as community development entities (CDEs) must submit an application for certification as a CDE that is postmarked on or before September 8, 2004 and received by 5 p.m. ET on September 15, 2004 (see Section III. of this NOAA for more details).

**Executive Summary:** This NOAA is issued in connection with the calendar year 2005 tax credit allocation round of the New Markets Tax Credit (NMTC) Program, as authorized by Title I, subtitle C, section 121 of the Community Renewal Tax Relief Act of 2000 (the Act). Through the NMTC Program, the Community Development Financial Institutions Fund (the Fund) provides authority to CDEs to offer an incentive to investors in the form of a tax credit over seven years, which is expected to stimulate the provision of

\$15 billion in private investment capital that, in turn, will facilitate economic and community development in Low-Income Communities. In this NOAA, the Fund addresses specifically how an entity may apply to receive an allocation of NMTCs, the competitive procedure through which NMTC Allocations will be made, and the actions that will be taken to ensure that proper allocations are made to appropriate entities.

#### I. Allocation Availability Description

##### A. Programmatic Improvements

In the first two allocation rounds of the NMTC Program, the Fund received total allocation requests in excess of \$56 billion when the total allocation authority available was \$6 billion. In this NOAA, the Fund intends to target its resources by providing allocations first to those highly qualified applicants that have demonstrated the most compelling and innovative business strategies and/or have committed to achieving the most challenging impacts in Low-Income Communities. As further described in Section V. B of this NOAA, applicants must demonstrate that they are minimally qualified under each of the four review criteria (Business Strategy; Capitalization Strategy; Management Capacity and Community Impact) in order to be considered for an allocation. In addition, in prioritizing awards, the Fund will give greater weight to the elements contained in each applicant's Business Strategy and Community Impact sections. The Fund believes that this programmatic focus is warranted because it helps direct resources to CDEs that are pursuing innovative business strategies that are likely to result in significant and demonstrable community impact.

The Fund also has determined that, given the historical level of interest in the NMTC Program and the lower level of tax credit authority the Fund can allocate in 2005, it is prudent to set general limitations on the size of individual allocation amounts. As stated in Section II. A. of this NOAA, the Fund generally will not provide more than \$150 million of allocation authority to any single applicant in this application round.

Finally, the Fund has modified certain eligibility requirements relating to prior Allocatees wishing to apply for an additional allocation in this CY 2005 allocation round. In the CY 2003-2004 allocation round, prior Allocatees had to demonstrate that at least 50 percent of their Qualified Equity Investments had been issued. In this CY 2005 allocation round, under certain circumstances, a

prior Allocatee wishing to apply for an additional allocation will be permitted to use legally binding investor commitments as well as Qualified Equity Investments in order to meet the eligibility requirements. These requirements are more fully described in Section III. 2 of this NOAA.

##### B. Program Guidance and Regulations

This NOAA provides guidance for the application and allocation of NMTCs for the third round of the NMTC Program and should be read in conjunction with: (i) Guidance published by the Fund on how an entity may apply to become certified as a CDE (66 FR 65806, December 20, 2001); (ii) the temporary regulations issued by the Internal Revenue Service (26 CFR 1.45D-1T, published on December 26, 2001, and amended on March 11, 2004) and related guidance; and (iii) the application and related materials for this third NMTC Program allocation round. All such materials may be found on the Fund's Web site at <http://www.cdfifund.gov>. The Fund encourages applicants to review these documents. Capitalized terms used but not defined in this NOAA shall have the respective meanings assigned to them in the allocation application, the Act or the IRS temporary regulations.

#### II. Allocation Information

##### A. Allocation Amounts

The Fund expects that it may allocate to CDEs the authority to issue to their investors up to the aggregate amount of \$2.0 billion in equity as to which NMTCs may be claimed, as permitted under IRC § 45D(f)(1)(C). The Fund anticipates that, under this NOAA, it will not issue more than \$150 million in tax credit allocation authority per applicant. The Fund, in its sole discretion, reserves the right to allocate amounts in excess of or less than the anticipated maximum allocation amount if the Fund deems it appropriate. In order to receive an allocation in excess of \$150 million, an applicant will likely need to demonstrate, for example, that: (i) No part of its strategy can be successfully implemented without an allocation in excess of \$150 million; or (ii) its strategy will produce extraordinary community impact. The Fund reserves the right to allocate tax credit authority to any, all or none of the entities that submit an application in response to this NOAA, and in any amount it deems appropriate.



### B. Types of Awards

NMTC Program awards are made in the form of tax credit authority.

### C. Notice of Allocation and Allocation Agreement

Each Allocatee under this NOAA must sign a Notice of Allocation and an Allocation Agreement before the NMTC Allocation is effective. The Notice of Allocation and the Allocation Agreement contain the terms and conditions of the allocation. For further information, see Section VI. of this NOAA.

## III. Eligibility

### A. Eligible Applicants

IRC § 45D specifies certain eligibility requirements that each applicant must meet to be eligible to apply for an allocation of NMTCs. The following sets forth additional detail and certain additional dates that relate to the submission of applications under this NOAA:

1. *CDE certification:* For purposes of this NOAA, the Fund will not consider an application for an allocation of NMTCs unless: (a) The applicant is certified as a CDE at the time the Fund receives its NMTC Program allocation application; or (b) the applicant submits an application for certification as a CDE that is postmarked on or before September 8, 2004, and received by 5 p.m. ET on September 15, 2004. Applicants for certification may obtain a CDE certification application through the Fund's Web site at <http://www.cdfifund.gov>. Applications for CDE certification must be submitted as instructed in the application form. An applicant that is a community development financial institution (CDFI) or a specialized small business investment company (SSBIC) does not need to submit a CDE certification application, but must register as a CDE on the Fund's Web site on or before 5 p.m. ET on September 8, 2004. The Fund will not provide allocations of NMTCs to applicants that are not certified as CDEs. See Section IV.D.1.c. of this NOAA for further requirements relating to postmarks.

If an applicant that has already been certified as a CDE wishes to change its designated CDE service area, it must submit its request for such a change to the Fund; and said request must be received by the Fund by 5 p.m. ET on October 6, 2004. The CDE service area change request must be sent from the applicant's authorized representative and include the applicable CDE control number, the revised service area designation, and an updated

accountability chart that reflects representation from Low-Income Communities in the revised service area. The service area change request must be sent by e-mail to [cdfihelp@cdfi.treas.gov](mailto:cdfihelp@cdfi.treas.gov) or by facsimile to (202) 622-7754.

#### 2. Prior awardees or Allocatees:

Applicants must be aware that success in a prior round of any of the Fund's programs is not indicative of success under this NOAA. Prior awardees of any component of the Fund's Community Development Financial Institutions (CDFI) Program, Bank Enterprise Award (BEA) Program, or any other Fund program and prior Allocatees under the NMTC Program are eligible to apply under this NOAA, except as follows:

(a) *Prior Allocatees and Qualified Equity Investment issuance requirements:* A prior Allocatee in the first round of the NMTC Program (CY 2001-2002) is not eligible to receive a NMTC Allocation pursuant to this NOAA unless the Allocatee can demonstrate that, as of 11:59 p.m. e.t. on January 21, 2005, it has: (i) Issued and received cash from its investors for at least 50 percent of its Qualified Equity Investments relating to its prior NMTC Allocation; or (ii) issued and received cash from its investors for at least 40 percent of its Qualified Equity Investments and that at least 80 percent of its total NMTC Allocation has been exchanged for cash from or has been committed by its investors. A prior Allocatee in the second round of the NMTC Program (CY 2003-2004) is not eligible to receive a NMTC Allocation pursuant to this NOAA unless the Allocatee can demonstrate that, as of 11:59 p.m. e.t. on January 21, 2005, it has: (i) Issued and received cash from its investors for at least 50 percent of its Qualified Equity Investments relating to its prior NMTC Allocation; or (ii) issued and received cash from its investors for at least 20 percent of its Qualified Equity Investments and that at least 60 percent of its total NMTC Allocation has been exchanged for cash from or has been committed by its investors. Further, an entity is not eligible to receive a NMTC Allocation pursuant to this NOAA if another entity that Controls the applicant, is Controlled by the applicant or shares common management officials with the applicant (as determined by the Fund) is a prior Allocatee and has not, as of 11:59 p.m. e.t. on January 21, 2005, met the requirements for the issuance and/or commitment of Qualified Equity Investments as set forth above for the Allocatees in the first and second allocation rounds of the NMTC Program.

For purposes of this section of the NOAA, the Fund will only count as

"issued" those Qualified Equity Investments that have been recorded in the Fund's Allocation Tracking System (ATS) by 11:59 p.m. e.t. on January 21, 2005. Allocatees and their Subsidiary transferees, if any, are advised to access ATS to record each Qualified Equity Investment that they issue to an investor in exchange for cash. For purposes of this section of the NOAA, "committed" Qualified Equity Investments are only those Equity Investments that are evidenced by a written, signed document in which an investor: (i) Commits to make an investment in the Allocatee in a specified amount and on specified terms; (ii) has made an initial disbursement of the investment proceeds to the Allocatee, and such initial disbursement has been recorded in ATS as a Qualified Equity Investment; (iii) commits to disburse the remaining investment proceeds to the Allocatee based on specified amounts and payment dates; and (iv) commits to make the final disbursement to the Allocatee no later than January 21, 2008. The applicant will be required, upon notification from the Fund, to submit adequate documentation to substantiate the required issuances of and commitments for Quality Equity Investments.

(b) *Failure to meet reporting requirements:* The Fund will not consider an application submitted by an applicant if the applicant, or an entity that Controls the applicant, is Controlled by the applicant or shares common management officials with the applicant (as determined by the Fund) is a prior Fund awardee or Allocatee under any Fund program and is not current on the reporting requirements set forth in a previously executed assistance, allocation or award agreement(s), as of the application deadline of this NOAA. Please note that the Fund only acknowledges the receipt of reports that are complete. As such, incomplete reports or reports that are deficient of required elements will not be recognized as having been received.

(c) *Pending resolution of noncompliance:* If an applicant is a prior awardee or Allocatee under any Fund program and if: (i) It has submitted complete and timely reports to the Fund that demonstrate noncompliance with a previous assistance, award or Allocation Agreement; and (ii) the Fund has yet to make a final determination as to whether the entity is in default of its previous assistance, award or Allocation Agreement, the Fund will consider the applicant's application under this NOAA pending full resolution, in the sole determination of the Fund, of the

noncompliance. Further, if another entity that Controls the applicant, is Controlled by the applicant or shares common management officials with the applicant (as determined by the Fund), is a prior Fund awardee or Allocatee and if such entity: (i) Has submitted complete and timely reports to the Fund that demonstrate noncompliance with a previous assistance, award or Allocation Agreement; and (ii) the Fund has yet to make a final determination as to whether the entity is in default of its previous assistance, award or Allocation Agreement, the Fund will consider the applicant's application under this NOAA pending full resolution, in the sole determination of the Fund, of the noncompliance.

(d) *Default status:* The Fund will not consider an application submitted by an applicant that is a prior Fund awardee or Allocatee under any Fund program if, as of the application deadline of this NOAA, the Fund has made a final determination that such applicant is in default of a previously executed assistance, allocation or award agreement(s) and the Fund has provided written notification of such determination to such applicant. Further, an entity is not eligible to apply for an allocation pursuant to this NOAA if, as of the application deadline of this NOAA, the Fund has made a final determination that another entity that Controls the applicant, is Controlled by the applicant or shares common management officials with the applicant (as determined by the Fund): (i) Is a prior Fund awardee or Allocatee under any Fund program; (ii) has been determined by the Fund to be in default of a previously executed assistance, allocation or award agreement(s); and (iii) the Fund has provided written notification of such determination to the defaulting entity.

(e) *Termination in default:* The Fund will not consider an application submitted by an applicant that is a prior Fund awardee or Allocatee under any Fund program if, within the 12-month period prior to the application deadline of this NOAA, the Fund has made a final determination that such applicant's prior award or allocation terminated in default of a previously executed assistance, allocation or award agreement(s) and the Fund has provided written notification of such determination to such applicant. Further, an entity is not eligible to apply for an allocation pursuant to this NOAA if, within the 12-month period prior to the application deadline of this NOAA, the Fund has made a final determination that another entity that Controls the applicant, is Controlled by

the applicant or shares common management officials with the applicant (as determined by the Fund), is a prior Fund awardee or Allocatee under any Fund program whose award or allocation terminated in default of a previously executed assistance, allocation or award agreement(s), and the Fund has provided written notification of such determination to the defaulting entity.

(f) *Undisbursed balances:* The Fund will not consider an application submitted by an applicant that is a prior Fund awardee under any Fund program if the applicant has a balance of undisbursed funds (defined below) under said prior award(s), as of the application deadline of this NOAA. Further, an entity is not eligible to apply for an award pursuant to this NOAA if another entity that Controls the applicant, is Controlled by the applicant or shares common management officials with the applicant (as determined by the Fund), is a prior Fund awardee under any Fund program, and has a balance of undisbursed funds under said prior award(s), as of the application deadline of this NOAA. In a case where another entity that Controls the applicant, is Controlled by the applicant or shares common management officials with the applicant (as determined by the Fund), is a prior Fund awardee under any Fund program, and has a balance of undisbursed funds under said prior award(s), as of the application deadline of this NOAA, the Fund will include the combined awards of the applicant and such affiliated entities when calculating the amount of undisbursed funds.

For purposes of this section, "undisbursed funds" is defined as: (i) In the case of a prior BEA Program award(s), any balance of award funds equal to or greater than five (5) percent of the total prior BEA Program award(s) that remains undisbursed more than three (3) years after the end of the calendar year in which the Fund signed an award agreement with the awardee; and (ii) in the case of a prior CDFI Program or other Fund program award(s), any balance of award funds equal to or greater than five (5) percent of the total prior award(s) that remains undisbursed more than two (2) years after the end of the calendar year in which the Fund signed an assistance agreement with the awardee.

"Undisbursed funds" does not include (i) tax credit allocation authority made available through the NMTC Program; (ii) any award funds for which the Fund received a full and complete disbursement request from the awardee by the application deadline of this NOAA; and (iii) any award funds

for an award that has been terminated, expired, rescinded or deobligated by the Fund.

(g) *Contact the Fund:* Accordingly, applicants that are prior awardees and/or Allocatees under any other Fund program are advised to: (i) Comply with the requirements specified in assistance, allocation and/or award agreement(s), and (ii) contact the Fund to ensure that all necessary actions are underway for the disbursement of any outstanding balance of a prior award(s). All outstanding reports, compliance or disbursement questions should be directed to the Grants Management and Compliance Manager by e-mail at [gmc@cdfi.treas.gov](mailto:gmc@cdfi.treas.gov); by telephone at (202) 622-8226; by facsimile at (202) 622-6453; or by mail to CDFI Fund, 601 13th Street, NW., Suite 200 South, Washington, DC 20005. The Fund will respond to applicants' reporting, compliance or disbursement questions between the hours of 9 a.m. and 5 p.m. e.t., starting the date of publication of this NOAA through October 4, 2004 (2 days before the application deadline). The Fund will not respond to applicants' reporting, compliance or disbursement phone calls or e-mail inquiries that are received after 5 p.m. e.t. on October 4, 2004, until after the funding application deadline of October 6, 2004.

3. *Entities that propose to transfer NMTCs to Subsidiaries:* Both for-profit and non-profit CDEs may apply to the Fund for allocations of NMTCs, but only a for-profit CDE is permitted to provide NMTCs to its investors. A non-profit applicant wishing to apply for a NMTC Allocation must demonstrate, prior to entering into an Allocation Agreement with the Fund, that: (i) it controls one or more Subsidiaries that are for-profit entities; and (ii) it intends to transfer the full amount of any NMTC Allocation it receives to said Subsidiary. The Subsidiary transferee should: (i) Submit a CDE certification application to the Fund within 30 days after the non-profit applicant receives a Notice of Allocation from the Fund; and (ii) must be certified as a CDE prior to entering into an Allocation Agreement with the Fund. The NMTC Allocation transfer must be pre-approved by the Fund, in its sole discretion, and will be a condition of the Allocation Agreement. A for-profit applicant that receives a NMTC Allocation may transfer such NMTC Allocation to its for-profit Subsidiary or Subsidiaries, provided that said Subsidiary transferees have been certified as CDEs and such transfer is pre-approved by the Fund, in its sole discretion, which transfer will be a condition of the Allocation Agreement.

An applicant wishing to transfer all or a portion of its NMTC Allocation to a Subsidiary is not required to create the Subsidiary prior to submitting a NMTC allocation application to the Fund. Rather, the Fund will require each applicant to indicate, in its NMTC allocation application, whether it intends to transfer all or a portion of its NMTC Allocation to a Subsidiary and its timeline for doing so. As stated above, in no circumstance will the Fund authorize such a transfer until the Fund has certified the Subsidiary transferee as a CDE.

**4. Entities that submit applications together with Affiliates; applications from common enterprises:** As part of the allocation application review process, the Fund considers whether applicants are Affiliates, as such term is defined in the allocation application. If an applicant and its Affiliates wish to submit allocation applications, they must do so collectively, in one application; an applicant and its Affiliates may not submit separate allocation applications. If Affiliated entities submit multiple applications, the Fund reserves the right either to reject all such applications received or to select a single application as the only one that will be considered for an allocation.

For purposes of this NOAA, in addition to assessing whether applicants meet the definition of the term "Affiliate" found in the allocation application, the Fund will consider: (i) Whether the activities described in applications submitted by separate entities are, or will be, operated or managed as a common enterprise that, in fact or effect, could be viewed as a single entity; and (ii) whether the business strategies and/or activities described in applications submitted by separate entities are so closely related that, in fact or effect, they could be viewed as substantially identical applications. In such cases, the Fund reserves the right either to reject all applications received from all such entities or to select a single application as the only one that will be considered for an allocation.

**5. Entities created as a series of funds:** An applicant whose business structure consists of an entity with a series of funds may apply for CDE certification as a single entity, or as multiple entities. If such an applicant represents that it is properly classified for Federal tax purposes as a single partnership or corporation, it may apply for CDE certification as a single entity. If an applicant represents that it is properly classified for Federal tax purposes as multiple partnerships or corporations,

then it may submit a single CDE certification application on behalf of the entire series of funds, and each fund must be separately certified as a CDE. Applicants should note, however, that receipt of CDE certification as a single entity or as multiple entities is not a determination that an applicant and its related funds are properly classified as a single entity or as multiple entities for Federal tax purposes. Regardless of whether the series of funds is classified as a single partnership or corporation or as multiple partnerships or corporations, an applicant may not transfer any NMTC Allocations it receives to one or more of its funds unless the transfer is pre-approved by the Fund, in its sole discretion, which will be a condition of the Allocation Agreement.

**6. Entities that are BEA Program awardees:** An insured depository institution investor (and its Affiliates and Subsidiaries) may not receive a NMTC Allocation in addition to a BEA Program award for the same investment in a CDE. Likewise, an insured depository institution investor (and its Affiliates and Subsidiaries) may not receive a BEA Program award in addition to a NMTC Allocation for the same investment in a CDE.

#### IV. Application and Submission Information

##### A. Address To Request Application Package

Applicants may submit applications under this NOAA either electronically or in paper form. Shortly following the publication of this NOAA, the Fund will make available the electronic allocation application on its Web site at <http://www.cdfifund.gov>. The Fund will send application materials to applicants that are unable to download them from the Web site. To have application materials sent to you, contact the Fund by telephone at (202) 622-6355; by e-mail at [cdfihelp@cdfi.treas.gov](mailto:cdfihelp@cdfi.treas.gov); or by facsimile at (202) 622-7754. These are not toll free numbers.

##### B. Application Content Requirements

Detailed application content requirements are found in the application related to this NOAA. Applicants must submit all materials described in and required by the application by the applicable deadlines. Applicants will not be afforded an opportunity to provide any missing materials or documentation. Electronic applications must be submitted solely by using the format made available at the Fund's Web site. Additional information, including instructions

relating to the submission of signature forms and supporting information, is set forth in further detail in the electronic application. An application must include a valid and current Employer Identification Number (EIN) issued by the Internal Revenue Service and assigned to the applicant and, if applicable, its Controlling Entity; electronic applications without a valid EIN are incomplete and cannot be transmitted to the Fund; paper applications submitted without a valid EIN will be rejected as incomplete and returned to the sender. For more information on obtaining an EIN, please contact the Internal Revenue Service at (800) 829-4933 or <http://www.irs.gov>. An applicant may not submit more than one application in response to this NOAA. In addition, as stated in Section III.A.4 of this NOAA, an applicant and its Affiliates must collectively submit only one allocation application; an applicant and its Affiliates may not submit separate allocation applications.

##### C. Form of Application Submission

Applicants may submit applications under this NOAA either electronically or in paper form. Applications sent by facsimile or by e-mail will not be accepted. In order to expedite application review, the Fund expects applicants to submit applications electronically (via an Internet-based application) in accordance with the instructions provided on the Fund's website. Submission of an electronic application will facilitate the processing and review of applications and the selection of Allocatees; further it will assist the Fund in the implementation of electronic reporting requirements.

**1. Electronic applications:** Electronic applications must be submitted solely by using the Fund's website and must be sent in accordance with the submission instructions provided in the electronic application form. Applicants need access to Internet Explorer 5.5 or higher or Netscape Navigator 6.0 or higher, Windows 98 or higher (or other system compatible with the above Explorer and Netscape software) and optimally at least a 56Kbps Internet connection in order to meet the electronic application submission requirements. The Fund's electronic application system will only permit the submission of applications in which all required questions and tables are fully completed. Additional information, including instructions relating to the submission of signature forms and supporting information, is set forth in further detail in the electronic application.

2. *Paper applications:* If an applicant is unable to submit an electronic application, it must submit to the Fund a request for a paper application using the NMTC Program Paper Application Submission Form, and the request must be received by 5 p.m. e.t. on September 22, 2004. The NMTC Program Paper Application Submission Form may be obtained from the Fund's Web site at <http://www.cdfifund.gov> or the form may be requested by e-mail to [paper\\_request@cdfi.treas.gov](mailto:paper_request@cdfi.treas.gov) or by facsimile to (202) 622-7754. The completed NMTC Program Paper Application Submission Form should be directed to the Fund's Chief Information Officer and must be sent by facsimile to (202) 622-7754.

#### *D. Application Submission Dates and Times*

1. *Application deadlines:* a. *Electronic applications* must be received by 5 p.m. e.t. on October 6, 2004. Electronic applications cannot be transmitted or received after 5 p.m. e.t. on October 6, 2004. In addition, applicants that submit electronic applications must separately submit (by mail or other courier delivery service) an original signature page, and all other required paper attachments. The original signature page and additional documents must be postmarked on or before October 12, 2004, and received by 5 p.m. e.t. on October 19, 2004. See application instructions, provided in the electronic application, for further detail. Applications and other required documents and other attachments postmarked or received after these dates and times will be rejected and returned to the sender. If the original signature page is not postmarked and received by the deadlines specified above, the application will be rejected and returned to the sender. See Section IV.D.1.c. of this NOAA for further requirements relating to postmarks. Additional deadlines (if any) relating to the submission of general supporting documentation will be further detailed in the electronic application. Please note that the document submission deadlines in this NOAA and/or the allocation application are strictly enforced.

b. *Paper applications*, including the requisite original signature page, and all other required paper attachments must be postmarked on or before October 6, 2004, and received by 5 p.m. e.t. on October 14, 2004. Paper applications postmarked or received after these deadlines will not be accepted for consideration and will be returned to the sender.

c. For purposes of this NOAA, the term "postmark" is defined by 26 CFR 301.7502-1. In general, the Fund will require that the postmarked document bear a postmark date that is on or before the applicable deadline. The document must be in an envelope or other appropriate wrapper, properly addressed as set forth in this NOAA and delivered by the United States Postal Service or any other private delivery service designated by the Secretary of the Treasury. For more information on designated delivery services, please see IRS Notice 2002-62, 2002-2 C.B. 574.

#### *E. Intergovernmental Review*

Not applicable.

#### *F. Funding Restrictions*

For allowable uses of investment proceeds related to an NMTC Allocation, please see 26 U.S.C. 45D and the temporary regulations issued by the Internal Revenue Service (26 CFR 1.45D-1T, published on December 26, 2001, and amended on March 11, 2004) and related guidance. Please see Section I., above, for the Programmatic Improvements of this NOAA.

#### *G. Other Submission Requirements*

*Addresses:* Paper applications and the signature page and attachments for electronic applications must be sent to: CDFI Fund Grants Management and Compliance Manager, NMTC Program, Bureau of Public Debt, 200 Third Street, Room 10, Parkersburg, WV 26101. The telephone number to be used in conjunction with overnight delivery or mailings to this address is (304) 480-5450. Paper applications and the signature page or attachments will not be accepted at the Fund's offices in Washington, DC. Paper applications and signature pages or attachments received in the Fund's offices will be rejected and returned to the sender. Except for the signature page and attachments, electronic applications must be submitted solely by using the Fund's website and must be sent in accordance with the submission instructions provided in the electronic application form.

#### *V. Application Review Information*

There are two parts to the substantive review process for each allocation application—Phase 1 and Phase 2. In Phase 1, the Fund will evaluate each application, assigning points and numeric scores with respect to the criteria described below. In Phase 2, the Fund will rank applicants in accordance with the procedures set forth in Section V.B. of this NOAA.

#### *A. Criteria*

1. *Business Strategy* (25-point maximum). (a) In assessing an applicant's business strategy, reviewers will consider, among other things: the applicant's products, services and investment criteria; the prior performance of the applicant or its Controlling Entity, particularly as it relates to making similar kinds of investments as those it proposes to make with the proceeds of Qualified Equity Investments; the applicant's prior performance in providing capital or technical assistance to disadvantaged businesses or communities; the projected level of the applicant's pipeline of potential investments; and the extent to which the applicant intends to make Qualified Low-Income Community Investments in one or more businesses in which persons unrelated to the entity hold a majority equity interest.

Under the Business Strategy criterion, an applicant will generally score well to the extent that it will deploy debt or investment capital in products or services which: (i) Are designed to meet the needs of underserved markets; (ii) are flexible or non-traditional in form; and (iii) focus on customers or partners that typically lack access to conventional sources of capital. An applicant will also score well to the extent that it: (i) Has a track record of successfully providing products and services similar to those it intends to use with the proceeds of Qualified Equity Investments; (ii) has identified, or has a process for identifying, potential transactions; (iii) demonstrates a likelihood of issuing Qualified Equity Investments and making the related Qualified Low-Income Community Investments in a time period that is significantly shorter than the 5-year period permitted under IRC § 45D(b)(1); and (iv) in the case of an applicant proposing to purchase loans from CDEs, the applicant will require the CDE selling such loans to re-invest the proceeds of the loan sale to provide additional products and services to Low-Income Communities.

(b) *Priority Points:* In addition, as provided by IRC § 45D(f)(2), the Fund will ascribe additional points to entities that meet either or both of the statutory priorities. First, the Fund will give up to five (5) additional points to any applicant that has a record of having successfully provided capital or technical assistance to disadvantaged businesses or communities. Second, the Fund will give five (5) additional points to any applicant that intends to satisfy the requirement of IRC § 45D(b)(1)(B) by

**making Qualified Low-Income Community Investments** in one or more businesses in which persons unrelated to an applicant (within the meaning of IRC § 267(b) or IRC § 707(b)(1)) hold the majority equity interest. Applicants may earn points for either or both statutory priorities. Thus, applicants that meet the requirements of both priority categories can receive up to a total of ten (10) additional points. A record of having successfully provided capital or technical assistance to disadvantaged businesses or communities may be demonstrated either by the past actions of an applicant itself or by its Controlling Entity (e.g., where a new CDE is established by a nonprofit corporation with a history of providing assistance to disadvantaged communities). An applicant that receives additional points for intending to make investments in unrelated businesses and is awarded a NMTC Allocation must meet the requirements of IRC § 45D(b)(1)(B) by investing substantially all of the proceeds from the aggregate amount of its Qualified Equity Investments in unrelated businesses. The Fund will factor in an applicant's priority points when ranking applicants during Phase 2 of the review process, as described below.

**2. Capitalization Strategy** (25-point maximum). In assessing an applicant's capitalization strategy, reviewers will consider, among other things: the extent to which the applicant has secured investments, commitments to invest, or indications of interest in investments from investors, commensurate with its requested amount of tax credit allocations; the applicant's strategy for identifying additional investors, if necessary, including the applicant's (or its Controlling Entity's) prior performance with raising equity from investors, particularly for-profit investors; the extent to which the applicant identifies how existing investors will leverage their investments in Low-Income Communities or how new investors will be brought into such investments; the distribution of the economic benefits of the tax credit; the extent to which the applicant intends to invest the proceeds from the aggregate amount of its Qualified Equity Investments at a level that exceeds the requirements of IRC § 45D(b)(1)(B), including the extent to which the applicant has identified the financial resources outside of the NMTC investments necessary to support its operations or finance its activities; and the applicant's timeline for utilizing an NMTC Allocation.

An applicant will generally score well under this section to the extent that: (a)

It has secured investor commitments, or has a reasonable strategy for obtaining such commitments; (b) its request for allocations is commensurate with both the level of Qualified Equity Investments it is likely to raise and its expected investment strategy to deploy funds raised with NMTCs; (c) it generally demonstrates that the economic benefits of the tax credit will be passed through to end users; (d) it is likely to leverage other sources of funding in addition to NMTC investor dollars; and (e) it intends to invest the proceeds from the aggregate amount of its Qualified Equity Investments at a level that exceeds the requirements of IRC § 45D(b)(1)(B). In the case of an applicant proposing to raise investor funds from organizations that also will identify or originate transactions for the applicant or from affiliated entities, said applicant will score well to the extent that it will offer products with more favorable rates or terms than those currently offered by the investor and/or will target its activities to areas of greater economic distress than those currently targeted by the investor.

**3. Management Capacity** (25-point maximum). In assessing an applicant's management capacity, reviewers will consider, among other things, the qualifications of the applicant's principals, its board members, its management team, and other essential staff or contractors, with specific focus on: experience in deploying capital or technical assistance, including activities similar to those described in the applicant's business strategy; experience in raising capital; asset management and risk management experience; experience with fulfilling compliance requirements of other governmental programs, including other tax programs; and the applicant's (or its Controlling Entity's) financial health. Reviewers will also consider the extent to which an applicant has protocols in place to ensure ongoing compliance with NMTC Program requirements, and the level of involvement of community representatives and other stakeholders in the design, implementation or monitoring of an applicant's business plan and strategy. In the case of an applicant (or any entity that Controls the applicant, is Controlled by the applicant or shares common management officials with the applicant (as determined by the Fund)) that has received a NMTC Allocation from the Fund under a prior allocation round, reviewers will consider the activities that have occurred to date with respect to the prior allocation(s).

An applicant will generally score well under this section to the extent that its

management team or other essential personnel have experience in: (a) Deploying capital or technical assistance in Low-Income Communities, particularly those likely to be served by the applicant with the proceeds of Qualified Equity Investments; (b) raising capital, particularly from for-profit investors; (c) asset and risk management; and (d) fulfilling government compliance requirements, particularly tax program compliance. An applicant will also score well to the extent it has policies and systems in place to ensure ongoing compliance with NMTC Program requirements, and to the extent that Low-Income Community stakeholders play an active role in designing or implementing its business plan. In the case of an applicant (or any entity that Controls the applicant, is Controlled by the applicant or shares common management officials with the applicant (as determined by the Fund)) that has received a NMTC Allocation from the Fund under a prior allocation round, the applicant will score well to the extent it can: (a) Demonstrate that substantial activities have occurred through its prior allocation(s); and (b) substantiate a need for additional allocation authority.

**4. Community Impact** (25-point maximum). In assessing the impact on communities expected to result from the applicant's proposed investments, reviewers will consider, among other things, the degree to which the applicant is likely to achieve significant and measurable community development and economic impacts in its Low-Income Communities, and whether the applicant is working in particularly economically distressed markets and/or in concert with Federal, state or local government or community economic development initiatives (e.g., Empowerment Zones, Enterprise Communities, and Renewal Communities). An applicant will generally score well under this section to the extent that: (a) it articulates how its strategy is likely to produce significant and measurable community development and economic impacts that would not be achieved without NMTCs; and (b) it is working in particularly economically distressed or otherwise underserved communities and/or in concert with other Federal, state or local government or community economic development initiatives.

#### *B. Review and Selection Process*

All allocation applications will be reviewed for eligibility and completeness. The Fund may consult with the IRS on the eligibility requirements under IRC § 45D. To be



complete, the application must contain, at a minimum, all information described as required in the application form. An incomplete application will be rejected and returned to the sender. Once the application has been determined to be eligible and complete, the Fund will conduct the substantive review of each application in two parts (Phase 1 and Phase 2) in accordance with the criteria and procedures generally described in this NOAA and the allocation application.

**Phase 1:** Fund reviewers will evaluate and score each application in the first part of the review process. An applicant must exceed a minimum overall aggregate base score threshold and exceed a minimum aggregate section score threshold in each of the four application sections (Business Strategy, Capitalization Strategy, Management Capacity, and Community Impact) in order to advance from the first part of the substantive review process. If, in the case of a particular application, a reviewer's total base score or section score(s) (in one or more of the four application sections), varies significantly from the median of the reviewers' total base scores or section scores for such application, the Fund may, in its sole discretion, obtain the comments and recommendations of an additional reviewer to determine whether the anomalous score should be replaced with the score of the additional reviewer.

**Phase 2:** Once the Fund has determined which applicants have met the required minimum overall aggregate base score and aggregate section score thresholds, the Fund will rank applicants on the basis of their combined scores in the Business Strategy and Community Impact sections of the application and will make adjustments to each applicant's priority points so that these points maintain the same relative weight in the ranking of applicant scores as in the first two allocation rounds. The Fund will award allocations in the order of this ranking, subject to applicants' meeting all other eligibility requirements; provided, however, that the Fund, in its sole discretion, reserves the right to reject an application and/or adjust award amounts as appropriate based on information obtained during the review process.

In the case of an applicant (or any entity that Controls the applicant, is Controlled by the applicant or shares common management officials with the applicant (as determined by the Fund)) that has previously received an award or allocation from the Fund through any Fund program, the Fund will consider

and will deduct points for the applicant's (or any entity that Controls the applicant, is Controlled by the applicant or shares common management officials with the applicant (as determined by the Fund)) failure to meet the reporting deadlines set forth in any assistance, award or Allocation Agreement(s) with the Fund during the applicant's two complete fiscal years prior to the application deadline of this NOAA (generally FY 2002 and 2003). All outstanding reports or compliance questions should be directed to the Grants Management and Compliance Manager by e-mail at [gmc@cdfi.treas.gov](mailto:gmc@cdfi.treas.gov); by telephone at (202) 622-8226; by facsimile at (202) 622-6453; or by mail to CDFI Fund, 601 13th Street, NW, Suite 200 South, Washington, DC 20005. The Fund will respond to reporting or compliance questions between the hours of 9 a.m. and 5 p.m. e.t., starting the date of the publication of this NOAA through October 4, 2004. The Fund will not respond to reporting or compliance phone calls or e-mail inquiries that are received after 5 p.m. e.t. on October 4, 2004, until after the funding application deadline of October 6, 2004.

The Fund reserves the right to reject any NMTC allocation application in the case of a prior Fund awardee, if such applicant has failed to comply with the terms, conditions, and other requirements of the prior or existing assistance or award agreement(s) with the Fund. The Fund reserves the right to reject any NMTC allocation application in the case of a prior Fund Allocatee, if such applicant has failed to comply with the terms, conditions, and other requirements of its prior or existing Allocation Agreement(s) with the Fund. The Fund also reserves the right to reject any NMTC allocation application in the case of any applicant, if an entity that Controls the applicant, is Controlled by the applicant or shares common management officials with the applicant (as determined by the Fund), has failed to meet the terms, conditions and other requirements of any prior or existing assistance agreement, award agreement or Allocation Agreement with the Fund.

As a part of the substantive review process, the Fund may permit reviewer(s) to make telephone calls to applicants for the sole purpose of obtaining, clarifying or confirming application information. In no event shall such contact be construed to permit an applicant to change any element of its application. Reviewers will not contact applicants without the prior approval of the Fund. At this point in the process, an applicant may be

required to submit additional information about its application in order to assist the Fund with its final evaluation process. Such requests must be responded to within the time parameters set by the Fund. The selecting official(s) will make a final allocation determination based on an applicant's file, including without limitation, eligibility under IRC § 45D, the reviewers' scores and the amount of allocation authority available. In the case of applicants (or any entity that Controls the applicant, is Controlled by the applicant or shares common management officials with the applicant (as determined by the Fund)) that are regulated by the Federal government or a State agency (or comparable entity), the Fund's selecting official(s) reserve(s) the right to consult with and take into consideration the views of the appropriate Federal or State banking and other regulatory agencies. In the case of applicants (or any entity that Controls the applicant, is Controlled by the applicant or shares common management officials with the applicant (as determined by the Fund)) that are also Small Business Investment Companies, Specialized Small Business Investment Companies or New Markets Venture Capital Companies, the Fund reserves the right to consult with and take into consideration the views of the Small Business Administration.

The Fund reserves the right to conduct additional due diligence, as determined reasonable and appropriate by the Fund, in its sole discretion, related to the applicant and its officers, directors, owners, partners and key employees.

Each applicant will be informed of the Fund's award decision either through a Notice of Allocation if selected for an allocation (see Section VI.A. of this NOAA) or a declination letter, if not selected for an allocation, which may be for reasons of application incompleteness, ineligibility or substantive issues. All applicants that are not selected for an allocation based on substantive issues will likely be given the opportunity to obtain feedback on the strengths and weaknesses of their applications. This feedback will be provided in a format and within a timeframe to be determined by the Fund, based on available resources.

The Fund further reserves the right to change its eligibility and evaluation criteria and procedures, if the Fund deems it appropriate; if said changes materially affect the Fund's award decisions, the Fund will provide information regarding the changes through the Fund's Web site.

There is no right to appeal the Fund's allocation decisions. The Fund's allocation decisions are final.

## VI. Award Administration Information

### A. Notice of Allocation

The Fund will signify its selection of an applicant as an Allocatee by delivering a signed Notice of Allocation to the applicant. The Notice of Allocation will contain the general terms and conditions underlying the Fund's provision of an NMTC Allocation including, but not limited to, the requirement that an Allocatee and the Fund enter into an Allocation Agreement. The applicant must execute the Notice of Allocation and return it to the Fund. By executing a Notice of Allocation, the Allocatee agrees that, if prior to entering into an Allocation Agreement with the Fund, information (including administrative errors) comes to the attention of the Fund that either adversely affects the Allocatee's eligibility for an award, or adversely affects the Fund's evaluation or scoring of the Allocatee's application, or indicates fraud or mismanagement on the part of the Allocatee, the Fund may, in its discretion and without advance notice to the Allocatee, terminate the Notice of Allocation or take such other actions as it deems appropriate. Moreover, by executing a Notice of Allocation, an Allocatee agrees that, if prior to entering into an Allocation Agreement with the Fund, the Fund determines that the Allocatee is not in compliance with the terms of any prior assistance agreement, award agreement, and/or Allocation Agreement entered into with the Fund, the Fund may, in its discretion and without advance notice to the Allocatee, either terminate the Notice of Allocation or take such other actions as it deems appropriate. The Fund reserves the right, in its sole discretion, to rescind the allocation and the Notice of Allocation if the Allocatee fails to return the Notice of Allocation, signed by the authorized representative of the Allocatee, along with any other requested documentation, by the deadline set by the Fund.

**1. Failure to meet reporting requirements:** If an Allocatee, or an entity that Controls the Allocatee, is Controlled by the Allocatee or shares common management officials with the Allocatee (as determined by the Fund) is a prior Fund awardee or Allocatee under any Fund program and is not current on the reporting requirements set forth in the previously executed assistance, allocation or award agreement(s), as of the date of the Notice of Allocation, the Fund reserves the

right, in its sole discretion, to delay entering into an Allocation Agreement and/or to impose limitations on an Allocatee's ability to issue Qualified Equity Investments to investors until said prior awardee or Allocatee is current on the reporting requirements in the previously executed assistance, allocation or award agreement(s). Please note that the Fund only acknowledges the receipt of reports that are complete. As such, incomplete reports or reports that are deficient of required elements will not be recognized as having been received. If said prior awardee or Allocatee is unable to meet this requirement within the timeframe set by the Fund, the Fund reserves the right, in its sole discretion, to terminate and rescind the Notice of Allocation and the allocation made under this NOAA.

**2. Pending resolution of noncompliance:** If an applicant is a prior awardee or Allocatee under any Fund program and if: (i) It has submitted complete and timely reports to the Fund that demonstrate noncompliance with a previous assistance, award or Allocation Agreement; and (ii) the Fund has yet to make a final determination as to whether the entity is in default of its previous assistance, award or Allocation Agreement, the Fund reserves the right, in its sole discretion, to delay entering into an Allocation Agreement and/or to impose limitations on the Allocatee's ability to issue Qualified Equity Investments to investors, pending full resolution, in the sole determination of the Fund, of the noncompliance. Further, if another entity that Controls the applicant, is Controlled by the applicant or shares common management officials with the applicant (as determined by the Fund), is a prior Fund awardee or Allocatee and if such entity: (i) Has submitted complete and timely reports to the Fund that demonstrate noncompliance with a previous assistance, award or Allocation Agreement; and (ii) the Fund has yet to make a final determination as to whether the entity is in default of its previous assistance, award or Allocation Agreement, the Fund reserves the right, in its sole discretion, to delay entering into an Allocation Agreement and/or to impose limitations on the Allocatee's ability to issue Qualified Equity Investments to investors, pending full resolution, in the sole determination of the Fund, of the noncompliance. If the prior awardee or Allocatee in question is unable to satisfactorily resolve the issues of noncompliance, in the sole determination of the Fund, the Fund reserves the right, in its sole discretion,

to terminate and rescind the Notice of Allocation and the allocation made under this NOAA.

**3. Default status:** If, at any time prior to entering into an Allocation Agreement through this NOAA, the Fund has made a final determination that an Allocatee that is a prior Fund awardee or Allocatee under any Fund program is in default of a previously executed assistance, allocation or award agreement(s) and has provided written notification of such determination to the Allocatee, the Fund reserves the right, in its sole discretion, to delay entering into an Allocation Agreement and/or to impose limitations on the Allocatee's ability to issue Qualified Equity Investments to investors, until said prior awardee or Allocatee has submitted a complete and timely report demonstrating full compliance with said agreement within a timeframe set by the Fund. Further, if at any time prior to entering into an Allocation Agreement through this NOAA, the Fund has made a final determination that another entity that Controls the Allocatee, is Controlled by the applicant or shares common management officials with the Allocatee (as determined by the Fund), is a prior Fund awardee or Allocatee under any Fund program, and is in default of a previously executed assistance, allocation or award agreement(s) and has provided written notification of such determination to the defaulting entity, the Fund reserves the right, in its sole discretion, to delay entering into an Allocation Agreement and/or to impose limitations on the Allocatee's ability to issue Qualified Equity Investments to investors, until said prior awardee or Allocatee has submitted a complete and timely report demonstrating full compliance with said agreement within a timeframe set by the Fund. If said prior awardee or Allocatee is unable to meet this requirement, the Fund reserves the right, in its sole discretion, to terminate and rescind the Notice of Allocation and the allocation made under this NOAA.

**4. Termination in default:** If, within the 12-month period prior to entering into an Allocation Agreement through this NOAA, the Fund has made a final determination that an Allocatee that is a prior Fund awardee or Allocatee under any Fund program whose award or allocation was terminated in default of such prior agreement and the Fund has provided written notification of such determination to such organization, the Fund reserves the right, in its sole discretion, to delay entering into an Allocation Agreement and/or to impose limitations on the Allocatee's ability to issue Qualified

Equity Investments to investors. Further, if within the 12-month period prior to entering into an Allocation Agreement through this NOAA, the Fund has made a final determination that another entity that Controls the Allocatee, is Controlled by the Allocatee or shares common management officials with the Allocatee (as determined by the Fund), is a prior Fund awardee or Allocatee under any Fund program whose award or allocation was terminated in default of such prior agreement, and the Fund has provided written notification of such determination to the defaulting entity, the Fund reserves the right, in its sole discretion, to delay entering into an Allocation Agreement and/or to impose limitations on the Allocatee's ability to issue Qualified Equity Investments to investors.

#### **B. Allocation Agreement**

Each applicant that is selected to receive a NMTC Allocation (including the applicant's Subsidiary transferees) must enter into an Allocation Agreement with the Fund. The Allocation Agreement will set forth certain required terms and conditions of the NMTC Allocation which may include, but not be limited to, the following: (i) The amount of the awarded NMTC Allocation; (ii) the approved uses of the awarded NMTC Allocation (e.g., loans to or equity investments in Qualified Active Low-Income Businesses or loans to or equity investments in other CDEs); (iii) the approved service area(s) in which the proceeds of Qualified Equity Investments may be used; (iv) the time period by which the applicant may obtain Qualified Equity Investments from investors; and (v) reporting requirements for all applicants receiving NMTC Allocations. If an applicant has represented in its NMTC allocation application that it intends to invest substantially all of the proceeds from its investors in businesses in which persons unrelated to the applicant hold a majority equity interest, the Allocation Agreement will contain a covenant whereby said applicant agrees that it will invest substantially all of said proceeds in businesses in which persons unrelated to the applicant hold a majority equity interest.

In addition to entering into an Allocation Agreement, each applicant selected to receive a NMTC Allocation must furnish to the Fund an opinion from its legal counsel, the content of which will be further specified in the Allocation Agreement, to include, among other matters, an opinion that an applicant (and its Subsidiary

transferees, if any): (i) Is duly formed and in good standing in the jurisdiction in which it was formed and/or operates; (ii) has the authority to enter into the Allocation Agreement and undertake the activities that are specified therein; (iii) has no pending or threatened litigation that would materially affect its ability to enter into and carry out the activities specified in the Allocation Agreement; and (iv) is not in default of its articles of incorporation, bylaws or other organizational documents, or any agreements with the Federal government.

If an Allocatee identifies Subsidiary transferees, the Fund reserves the right to require an Allocatee to provide supporting documentation evidencing that it Controls such entities prior to entering into an Allocation Agreement with the Allocatee and its Subsidiary transferees. The Fund reserves the right, in its sole discretion, to rescind its Notice of Allocation if the Allocatee fails to return the Allocation Agreement, signed by the authorized representative of the Allocatee, and/or provide the Fund with any other requested documentation, within the deadlines set by the Fund.

#### **C. Fees**

The Fund reserves the right, in accordance with applicable Federal law and if authorized, to charge allocation reservation and/or compliance monitoring fees to all entities receiving NMTC Allocations. Prior to imposing any such fee, the Fund will publish additional information concerning the nature and amount of the fee.

#### **D. Reporting**

The Fund will collect information, on at least an annual basis, from all applicants that are awarded NMTC Allocations and/or are recipients of Qualified Low-Income Community Investments, including such audited financial statements and opinions of counsel as the Fund deems necessary or desirable, in its sole discretion. The Fund will use such information to monitor each Allocatee's compliance with the provisions of its Allocation Agreement and to assess the impact of the NMTC Program in Low-Income Communities. The Fund may also provide such information to the IRS in a manner consistent with IRC § 6103 so that the IRS may determine, among other things, whether the Allocatee has used substantially all of the proceeds of each Qualified Equity Investment raised through its NMTC Allocation to make Qualified Low-Income Community Investments. The Allocation Agreement

shall further describe the Allocatee's reporting requirements.

The Fund reserves the right, in its sole discretion, to modify these reporting requirements if it determines it to be appropriate and necessary; however, such reporting requirements will be modified only after due notice to Allocatees.

#### **VII. Agency Contacts**

The Fund will provide programmatic and information technology support related to the allocation application between the hours of 9 a.m. and 5 p.m. e.t. through October 4, 2004. The Fund will not respond to phone calls or e-mails concerning the application that are received after 5 p.m. e.t. on October 4, 2004, until after the allocation application deadline of October 6, 2004. Applications and other information regarding the Fund and its programs may be obtained from the Fund's Web site at <http://www.cdfifund.gov>. The Fund will post on its website responses to questions of general applicability regarding the NMTC Program.

##### **A. Information Technology Support**

Technical support can be obtained by calling (202) 622-2455 or by e-mail at [ithelpdesk@cdfi.treas.gov](mailto:ithelpdesk@cdfi.treas.gov). People who have visual or mobility impairments that prevent them from accessing the Low-Income Community maps using the Fund's Web site should call (202) 622-2455 for assistance. These are not toll free numbers.

##### **B. Programmatic Support**

If you have any questions about the programmatic requirements of this NOAA, contact the Fund's NMTC Program Manager by e-mail at [cdfihelp@cdfi.treas.gov](mailto:cdfihelp@cdfi.treas.gov), by telephone at (202) 622-6355, by facsimile at (202) 622-7754, or by mail at CDFI Fund, 601 13th Street, NW., Suite 200 South, Washington, DC 20005. These are not toll-free numbers.

##### **C. Administrative Support**

If you have any questions regarding the administrative requirements of this NOAA, contact the Fund's Grants Management and Compliance Manager by e-mail at [cdfihelp@cdfi.treas.gov](mailto:cdfihelp@cdfi.treas.gov), by telephone at (202) 622-8226, by facsimile at (202) 622-6453, or by mail at CDFI Fund, 601 13th Street, NW., Suite 200 South, Washington, DC 20005. These are not toll free numbers.

##### **D. IRS Support**

For questions regarding the tax aspects of the NMTC Program, contact Branch Five, Office of the Associate Chief Counsel (Passthroughs and



Special Industries), IRS, by telephone at (202) 622-3040, by facsimile at (202) 622-4753, or by mail at 1111 Constitution Avenue, NW., Attn: CC:PSI:5, Washington, DC 20224. These are not toll free numbers.

#### *E. Legal Counsel Support*

If you have any questions or matters that you believe require response by the Fund's Office of Legal Counsel, please refer to the document titled "How to Request a Legal Review", found on the Fund's Web site at <http://www.cdfifund.gov>. Requests for legal reviews must be received by the Fund no later than September 7, 2004, or by such alternative date as may be agreed to by the Fund.

#### **VIII. Information Sessions**

In connection with this NOAA, the Fund intends to broadcast a no fee, interactive video teleconference information session on August 24, 2004, from 1 p.m. to 5 p.m. e.t. Registration is required, as the video teleconference information session will be broadcast to secured federal facilities. The video teleconference information session will be produced in Washington, DC, and will be downlinked via satellite to local Department of Housing and Urban Development offices in certain cities. For further information on the video teleconference information session, locations, or to register, please visit the Fund's Web site at <http://www.cdfifund.gov> or call the Fund at (202) 622-9046.

Authority: 26 U.S.C. 45D; 31 U.S.C. 321; 26 CFR 1.45D-1T.

Dated: August 4, 2004.

Arthur A. Garcia,

Director, Community Development Financial Institutions Fund.

[FR Doc. 04-18448 Filed 8-11-04; 8:45 am]

BILLING CODE 4810-70-P

#### **DEPARTMENT OF THE TREASURY**

##### **Internal Revenue Service**

##### **Proposed Collection; Comment Request for Form 8867**

AGENCY: Internal Revenue Service (IRS), Treasury.

**ACTION:** Notice and request for comments.

**SUMMARY:** The Department of the Treasury, as part of its continuing effort to reduce paperwork and respondent burden, invites the general public and other Federal agencies to take this opportunity to comment on proposed and/or continuing information collections, as required by the Paperwork Reduction Act of 1995, Public Law 104-13(44 U.S.C. 3506(c)(2)(A)). Currently, the IRS is soliciting comments concerning Form 8867, Paid Preparer's Earned Income Credit Checklist.

**DATES:** Written comments should be received on or before October 12, 2004 to be assured of consideration.

**ADDRESSES:** Direct all written comments to Glenn P. Kirkland, Internal Revenue Service, room 6411, 1111 Constitution Avenue NW., Washington, DC 20224.

**FOR FURTHER INFORMATION CONTACT:** Requests for additional information or copies of the form and instructions should be directed to R. Joseph Durbala, at Internal Revenue Service, room 6411, 1111 Constitution Avenue NW., Washington, DC 20224, or at (202) 622-3634, or through the internet at [RJoseph.Durbala@irs.gov](mailto:RJoseph.Durbala@irs.gov).

#### **SUPPLEMENTARY INFORMATION:**

*Title:* Paid Preparer's Earned Income Credit Checklist.

*OMB Number:* 1545-1629.

*Form Number:* 8867.

*Abstract:* Form 8867 helps preparers meet the due diligence requirements of Internal Revenue Code section 6695(g), which was added by section 1085(a)(2) of the Taxpayer Relief Act of 1997. Paid preparers of Federal income tax returns or claims for refund involving the earned income credit (EIC) must meet the due diligence requirements in determining if the taxpayer is eligible for the EIC and the amount of the credit. Failure to do so could result in a \$100 penalty for each failure. Completion of Form 8867 is one of the due diligence requirements.

*Current Actions:* There are no changes being made to the form at this time.

*Affected Public:* Business or other for-profit organizations.

*Estimated Number of Responses:* 8,368,447.

*Estimated Time Per Responses:* 1 hr., 1 min.

*Estimated Total Annual Burden Hours:* 8,535,816.

The following paragraph applies to all of the collections of information covered by this notice:

An agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless the collection of information displays a valid OMB control number. Books or records relating to a collection of information must be retained as long as their contents may become material in the administration of any internal revenue law. Generally, tax returns and tax return information are confidential, as required by 26 U.S.C. 6103.

*Request for Comments:* Comments submitted in response to this notice will be summarized and/or included in the request for OMB approval. All comments will become a matter of public record. Comments are invited on: (a) Whether the collection of information is necessary for the proper performance of the functions of the agency, including whether the information shall have practical utility; (b) the accuracy of the agency's estimate of the burden of the collection of information; (c) ways to enhance the quality, utility, and clarity of the information to be collected; (d) ways to minimize the burden of the collection of information on respondents, including through the use of automated collection techniques or other forms of information technology; and (e) estimates of capital or start-up costs and costs of operation, maintenance, and purchase of services to provide information.

Approved: August 6, 2004.

Glenn P. Kirkland,

IRS Reports Clearance Officer.

[FR Doc. 04-18477 Filed 8-11-04; 8:45 am]

BILLING CODE 4830-01-P

# **Overview of NMTC Program**

- Enacted on December 21, 2000
- Part of the Community Renewal Tax Relief Act of 2000
- Creates a tax credit for equity investments in Community Development Entities (CDEs)

9/15/04 AC  
Mtg. # 75

# What is a CDE?

- A domestic corporation or partnership that is an intermediary vehicle for the provision of loans, investments or financial counseling in “Low-Income Communities” (LICs).
- CDEs are required to demonstrate that they:
  - Have a primary mission of serving, or providing investment capital for, LICs or Low-Income Persons
  - Are accountable to residents of the LICs that they serve



Community Development  
Enterprise Fund

# **Why Become a CDE?**

- For-profit CDEs may raise capital by offering tax credits to investors
- All CDEs (including non-profits) are eligible to receive loans and investments from or sell loans to CDEs that have been issued tax credit allocations by the Fund



# Credit Amount

- Credit taken over a 7-year period
- Credit rate:
  - 5% in each of the first 3 years
  - 6% in each of the final 4 years
- Equals 39% of amount of original investment



# Example

The Fund awards an allocation of \$1 million to a CDE. The CDE offers the tax credit to investors. Ten investors each invest \$100,000 in return for tax credits. How much can each investor claim as a tax credit?

Years 1-3    Tax Credit at 5%    Value \$5,000 per year

Years 4-7    Tax Credit at 6%    Value \$6,000 per year

**TOTAL VALUE OVER 7 YEARS.....\$39,000**

# Amount of NMTC Investment Authority Available

2001-02                      \$2.5 billion

2003-04                      \$3.5 billion

2005                      \$2 billion                      = current round

2006                      \$3.5 billion

2007                      \$3.5 billion

**TOTAL                      \$15 billion**

Unallocated investment authority may be carried over from year to year through 2014.

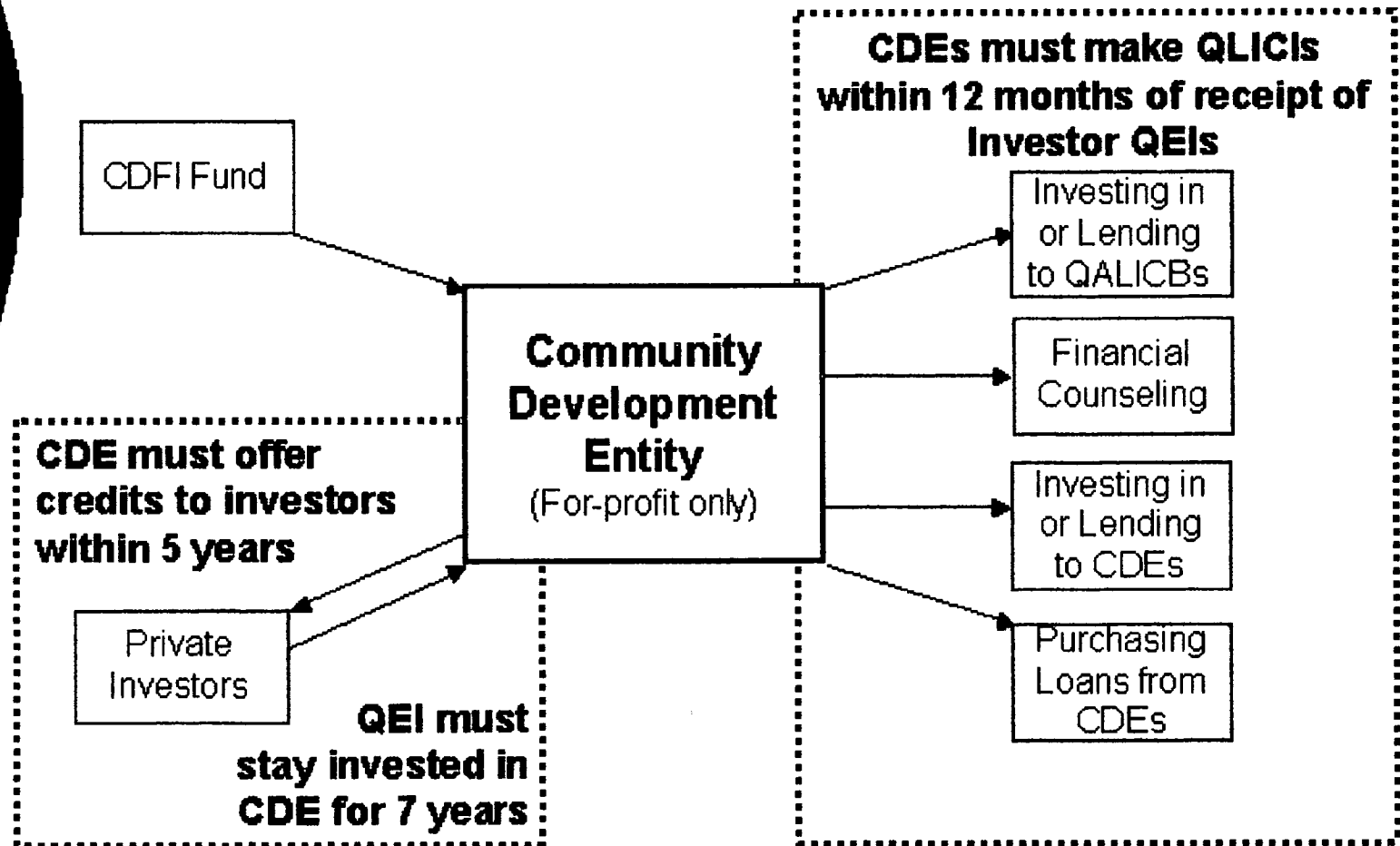


# Process Overview

- Step 1:** Entities apply to the Fund for CDE certification
- Step 2:** Entities apply competitively to the Fund for a NMTC allocation
- Step 3:** The Fund selects CDEs to receive NMTC allocations
- Step 4:** CDEs use allocations to offer NMTCs to investors for cash
- Step 5:** CDEs use proceeds to make “Qualified Low-Income Community Investments” (QLICIs)



# Summary Graphic



OFFICE OF  
COMMUNITY DEVELOPMENT  
ECONOMIC DEVELOPMENT

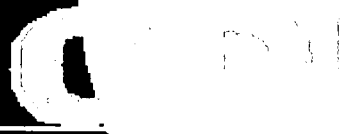
# **Qualified Low-Income Community Investments**

- 1) Any capital or equity investment in, or loan to, any "Qualified Active Low-Income Community Business" (QALICB)
- 2) Any equity investment in, or loan to, any CDE
- 3) Purchase of a loan from another CDE if the loan is a QLICI
- 4) "Financial Counseling and Other Services" (FCOS) to businesses located in, or residents of, LICs



# Ineligible Activities

- Residential rental property:
  - Buildings which derive 80% or more of income from residential dwelling units
- Certain types of businesses:
  - Golf courses
  - Race tracks
  - Gambling facilities
  - Certain farming businesses
  - Stores where the principal business is the sale of alcoholic beverages
- Refer to IRS regulations for additional details



# 2005 Round Deadlines

| Deadline                                                              | Date           |
|-----------------------------------------------------------------------|----------------|
| Anticipated release of online application                             | Sept. 1, 2004  |
| CDE Cert Apps. must be postmarked on or before                        | Sept. 8, 2004  |
| CDE Cert Apps. must be received by                                    | Sept. 15, 2004 |
| Notification of intent to submit a paper Alloc. App.                  | Sept. 22, 2004 |
| <b>Submission of Allocation Application (online or paper version)</b> | Oct. 6, 2004   |
| Attchs. and sign. pg. must be postmarked on or before                 | Oct. 12, 2004  |
| Attchs. and sign. pg. must be received by                             | Oct. 19, 2004  |
| Previous Allocatees must issue a certain percentage of QEIs by        | Jan. 21, 2005  |

See NOAA for additional details

# **Common Structures**

- **Lender**
  - Serving large territory
  - Region, state or multi-state
- **City/State**
  - Citywide or large area of need
  - Phoenix, Memphis, Norfolk, Wisconsin, New Jersey
- **Successful applications require entity experienced in urban development or lending**

# **Requests of City of Las Vegas**

- **World Market Center**
  - Two NMTC applications
  - One Advisory Board member for each
  - No voting rights of Board member
- **Arts District**
  - One NMTC application
  - Appoint a controlling number of Board members
  - Focused on Arts District

# **Ideal Structure for City**

- **City or RDA-wide scope**
  - **Broadest range of City economic development and redevelopment efforts to maximize potential impact and use of NMTC's**
- **Bank or multi-bank CDE making loans**
  - **Mitigate City risk**
  - **Experience**

**CITY COUNCIL MEETING OF**  
**September 15, 2004**

**VERBATIM TRANSCRIPT — ITEM 75**

**REPORT ON THE NEW MARKETS TAX CREDITS APPLICATION PROCESS AND  
ON REQUESTS FROM THREE COMMUNITY GROUPS TO RECEIVE  
PARTICIPATION FROM THE CITY OF LAS VEGAS IN SUPPORT OF THEIR  
RESPECTIVE APPLICATIONS TO THE DEPARTMENT OF TREASURY – WARDS 1  
AND 5 (MONCRIEF AND WEEKLY)**

**Appearance List:**

OSCAR GOODMAN, Mayor

SCOTT ADAMS, Director, Office of Business Development

BRAD JERBIC, City Attorney

MIKE MUSHKIN, 930 S. Third Street

JACK SOLOMON, President, Las Vegas Arts Neighborhood Association

ED GARCIA, Jones Vargas, World Market Center

(10:22 – 10:47)

**1-2928**

25 minutes

Typed by: Stacey Campbell/Vicky Darling

Proofed by: Angela Crolli



**CITY COUNCIL MEETING OF**  
**September 15, 2004**

**VERBATIM TRANSCRIPT — ITEM 75**

24   **MAYOR GOODMAN**

25   Item 75 is a report on the New Markets Tax Credit application process and on requests from  
26   three community groups to receive participation from the City of Las Vegas in support of their  
27   respective applications to the Department of Treasury. This applies to Wards 1 and 5. Mr.  
28   Adams?

29

30   **SCOTT ADAMS**

31   Members of the Council, Good Morning, my name is Scott Adams, the Director of the Office of  
32   Business Development. What I wanted to do this morning, you have on the, on your agenda this  
33   – morning, three items, two on the RDA Agenda and one on your Council agenda, relative to  
34   requests from groups in the community to appoint members to boards for the purposes of  
35   applying for New Markets Tax Credits. This is a – relatively new program. It was formed in the  
36   year 2000 and so we thought we ought to give you a brief overview of the program before you  
37   really got into the business of evaluating and making any decisions on those appointments.

38   Let me say at the outset, I am not and nor is anybody on our staff, an expert in this program. It's  
39   a relatively new program. I personally have not had any experience with the New Markets Tax  
40   Credit Program because it – starting up in the year 2000.

41   What I'm going to present to you this morning is really excerpts of a – program or a presentation  
42   we were able to obtain from a federal website. And we've wheedled this down but you'll see  
43   that it's very complex and that is an indication of the complexity of this program.

44   First of all, the program was in, enacted on December 21<sup>st</sup> of 2000 and it's part of the National  
45   Community Renewal Tax Relief Act of 2000. And it – in essence, creates a credit, a tax credit,  
46   for equity investments in entities called Community Development Entities or CDE's. And,  
47   there's a lot of different ways a CDE can be created but CDE's really are required to demonstrate  
48   that they have a primary mission of serving or providing investment capital for low-income  
49   communities or low-income persons. And, they're accountable to the residents of the low-  
50   income communities that they serve.

51   Why – should you create or become a CED (sic)? A CED (sic) could raise a lot of capital by  
52   offering tax credits to investors. And under this federal program, there's a diagram, I'll get to it

**CITY COUNCIL MEETING OF**  
**September 15, 2004**

**VERBATIM TRANSCRIPT — ITEM 75**

53 in a minute, it – really allows an entity to apply for credits from the federal government and then  
54 those credits can be passed back to equity investors who place capital in the C, CDE. And, the  
55 CED's (sic) then are eligible to receive loans, make loans and do a lot of different things.

56 Now, it's a very large credit. The attractiveness of this program to investors is that it's a credit  
57 of thirty nine percent that can be taken over a seven-year period. And, for those of you who  
58 work with taxes, you know that a thirty nine percent credit on your federal income tax liability's  
59 a very significant credit. So, that it is very attracted to an investor to dump investment capital  
60 into a CDE so they could take advantage of that credit.

61 And, we just provide a brief example here that shows that if at the fund, at the Federal level,  
62 awarded a million dollars of credits to a CED (sic), the CED (sic) could offer the credit to  
63 investors and ten investors could each invest a hundred thousand dollars into that CDE and then  
64 over that seven year period, on that one hundred thousand dollar investment, each investor would  
65 get thirty nine thousand dollars back over that period in credits. And that's the essence of the  
66 program as, is the Federal government created a vehicle to induce investment in entities that then  
67 have an obligation to turn around and make loans and investments in low-income areas. That's  
68 really the essence of this program.

69 It's been, Congress budgets tax credit authority annually and these entities apply for allocations  
70 of that credit. They just don't let you have all you – could have 'cause it's a pretty significant  
71 credit and tax liability to the Federal government. So, this chart shows that over a five-year  
72 period, what they've actually budgeted and planned for in terms of the investments credits that  
73 are gonna be available at the Federal level.

74 And, there's really a two-step process for these CDE's in order to access these credits. First of  
75 all, they have to set up that Community Development Entity and get that approved by the Federal  
76 government and then they can apply for, competitively to the fund, a new market tax credit  
77 allocation. And so you create an entity and that entity then applies for and receives the  
78 allocation. Further on down, on the – CDE then takes the investment that comes from investors  
79 in the CED (sic) can make that, make qualified, low income community investments.

80 Now, this is – where it gets a little complex and I'm, this is really just to illustrate what happens.  
81 The CDFI Fund makes the credit available to the Community Development Entity through, and  
82 then that entity offers those credits to investors who put money into the entity. And then on the

**CITY COUNCIL MEETING OF**  
**September 15, 2004**

**VERBATIM TRANSCRIPT — ITEM 75**

83 right hand side of this chart, there's a number of different ways that the entity can invest back  
84 into a low-income area in a community. It's primarily though, as I appreciate it, through lending  
85 that they generally make aggressive loans to qualified businesses in that area. And, this is really  
86 a blow up of the right hand of that chart and it really kind of talks about the different things that  
87 – these CDEs can do but I think one of the root things it can do is make investments or loans to a  
88 qualified, active, low-income community business. Now, I won't get into the details on this but  
89 there's some very strict requirements that that business needs to meet in order to receive the  
90 benefit of a loan or an investment from a CDE.

91 The, there's also, like any federal program, ineligible activities. There's things that the federal  
92 government has – deemed not to be in the best interest of this program and so, and I – wanted to  
93 point this out because one of the significant things that isn't ineligible is buildings which derive  
94 80 percent, or more, of income from residential dwelling units and then also gambling facilities.  
95 So, I wanted to point that out because these are things that are specifically prohibited from  
96 receiving an investment from a CDE.

97 And, we're in the process right now around where there's been a couple deadlines, key  
98 deadlines, that on September 8<sup>th</sup>, there was a deadline for submission of the applications for  
99 exceeding E certification and on October 6<sup>th</sup>, there's a deadline for the actual application of an  
100 allocation. So, there's been a deadline for creation of these CDE's and then there's another  
101 deadline, which is coming up, which is the actual application for the allocation of funds itself.

102 Now, let's bring it down to the local level here in Las Vegas. And, what I want to talk about  
103 here are some common structures that are – out there based on the research that we've done, and  
104 – some of that feedback we're getting from some of the consultants that are working with our  
105 two groups that are making requests. They, there – are lenders out there that apply for and  
106 become certified as a CDE. Generally, those lenders will serve a fairly large territory, either a  
107 region, a state or a multi state region, and that's generally their lending territory. I am very  
108 familiar, for example, I just came from in New Orleans, the two entities that got tax credits there,  
109 one was an African American bank and another was an adventure capital entity that – has the  
110 authority to make loans multi state. So one was focusing on the region and one was looking at  
111 several different states.

**CITY COUNCIL MEETING OF**  
**September 15, 2004**

**VERBATIM TRANSCRIPT — ITEM 75**

112 We've also seen in our research that there are cities and states that have established entities to  
113 either be citywide or statewide, serving a large area need. Examples of that are Phoenix,  
114 Memphis, Norfolk and the States of Wisconsin and New Jersey.

115 And, at any rate, what is real important is in your, a successful application to get certified and get  
116 a, an allocation of credit is to show that your entity, the CED (sic), has experience in lending and  
117 particular in low-income communities and – in our case, in an urban development situation. And  
118 that's why these entities have come forward to us, asking for us to place persons on their  
119 governing boards or advisory boards.

20 And let me just summarize those two requests, and as I said, they're later on on the agenda. The  
121 first is the World Market Center, who is looking at, and let me mention that they, both – these  
122 groups do have representatives here that can answer questions regarding their specific requests.  
123 The World Market Center is looking at creating two entities to make two new markets tax credit  
124 applications. What they're simply asking for is that we appoint one advisory board member to  
125 each of these entities and that that advisory board member would not have a voting right on that  
126 board. We'd simply be on an advisory board, advising the actual voting governing board on the  
127 actions of the – corporations.

128 The other application is by the Arts District. Theirs, they're looking at one new markets tax  
129 credit application and they're looking, they're asking us to appoint a controlling interest in that  
130 board, in terms a majority of the board members, and therefore we would, by virtual of  
131 appointing a majority of the board members, control through that majority, the affairs of the  
132 corporation. That application, as I appreciate it, would be focused on the Arts District.

133 I also need to mention to you that we had on, and – the Mayor had on August 4<sup>th</sup>, sent a letter to  
134 the Arts District Corporation, appointing three persons, three persons, from the City, which  
135 would have been a minority interest to that board, to serve on – their governing board. They  
136 came back to us and said, no, we want you to have a majority controlling interest. And I believe  
137 they believe it's in their best interests to do so, to make their application stronger, by showing a  
138 relationship to the City and the City's efforts, past efforts, in redevelopment and in economic  
139 development and those kinds of things.

140 I have to be honest though, and indicate that if I were to start from scratch on this, and I – kind of  
141 came into this mid-stream, as your new Director of the Office of Business Development, my, if I

**CITY COUNCIL MEETING OF**  
**September 15, 2004**

**VERBATIM TRANSCRIPT — ITEM 75**

142 had the ability to create the ideal structure for a new markets tax credit situation in the City of  
143 Las Vegas, we'd probably look at creating a City or at least RDA-wide entity. An entity whose  
144 scope of activities and authority could make investments and loans, at least throughout the RDA,  
145 if not the entire City, and focus on low-income investments throughout that broader area. And  
146 then look at bringing in a bank or a multi-bank CDE to actually do the loan making and  
147 underwriting. In doing so, they would mitigate any City risk in that process by bringing an  
148 experienced lender into that process. And that's something that would be very important.

149 Under this program, you can apply for an allocation of credits for up to a hundred and fifty  
50 million dollars. That means that if you're successful and got a hundred and fifty million dollar  
151 credit allocation, you could attract investment capital of a hundred and fifty million dollars and  
152 make loans of a hundred and fifty million dollars. That exceeds the loan authority of many small  
153 banks around America. So, it's a serious lending activity that's undertaken by the CDE. And so  
154 if I, we were to start from scratch on this, I'd want to be sure that the entity that's actually  
155 making the loans has the experience, has been there time and time again, can underwrite and  
156 prudently look at loan applications so that any risk back to us is mitigated.

157 That's really an overview of the program, the applications that are here before you and then, I  
158 think, it was important for you to know where we would had, if we could put together the ideal  
159 structure or situation. As I mentioned, there are three requests before you, one on the Council  
160 meeting and two on the RDA agenda.

161  
162 **MAYOR GOODMAN**

163 Thank you very much, Mr. Adams. Any questions? I have a couple. Is it too late to take the  
164 model with the bank and amend whatever applications have been filed?

165  
166 **SCOTT ADAMS**

167 I – think we probably would need to ask those representatives here. We're getting involved in  
168 this in the eleventh hour and I'm not, I don't have an exact answer to that question.

169  
170 **MAYOR GOODMAN**

171 What – a

**CITY COUNCIL MEETING OF**  
**September 15, 2004**

**VERBATIM TRANSCRIPT — ITEM 75**

172

173 **SCOTT ADAMS**

174 But I understand there are persons here from the Arts District and then there is an attorney –

175

176 **MAYOR GOODMAN**

177 Right. And I – have a lot of respect for the people from the Arts District, but what I’m  
178 concerned about, I – have to be advised by the City Attorney’s office on a couple of issues here.

179 One, liability, liability of the City, if we’re an advisory capacity with one representative  
80 representing the City; liability of the City if, as the request from the Arts District is that they

181 want us to be the majority member of the board, potential liability there. I – can’t vote on these

182 things, with all due respect, no matter how much I want the project, without knowing what the

183 City’s going to be exposed to and what the individual members who are being appointed are

184 being exposed to. How long would it take you to get us that information, Brad?

185

186 **BRAD JERBIC**

187 I mean, I can get you some now, but I think probably with, by, between now and the next

188 meeting I can get you a lot of information. Again, I think this started with the idea that you were

189 going to sit as a member of the board and then it migrated to you were going to appoint three

.90 members of the board and then it migrated to the City was going to appoint a majority of the

191 board. And I think when we got to that point, I think that the – balance of risk shifted.

192

193 **MAYOR GOODMAN**

194 And I – understand the reason why they want the City to be the majority of the board, because

195 then they rely on our financial wherewithal and our background and our experience, and that

196 makes a lot of sense, from their perspective. But at the same time, I can’t go forward and vote

197 on these without knowing what I’m exposing my City to and what I’m exposing my Council to.

198 So my question to you, Mr. Mushkin, please identify yourself first.

199

200 **MIKE MUSHKIN**

201 Mike Mushkin, 930 South Third Street, on behalf of the Arts District.

**CITY COUNCIL MEETING OF**  
**September 15, 2004**

**VERBATIM TRANSCRIPT — ITEM 75**

202

203 **MAYOR GOODMAN**

204 My question to you is, is it too late to get involved with a model, which I thought everybody  
205 thought it was a good idea, going through a bank, such as, I'm not going to name any particular  
206 one, but there's certain banks that like to participate in granting loans in areas for redevelopment  
207 purposes. Is it too late, on your application?

208

209 **MIKE MUSHKIN**

10 It is not, Your Honor. That is – is the model that we are operating off of.

211

212 **MAYOR GOODMAN**

213 Well, that –

214

215 **MIKE MUSHKIN**

216 What the – there's a, perhaps a slight disconnect. And I want to try and address three separate  
217 issues.

218

219 **MAYOR GOODMAN**

220 But we have to do it quickly, because we have a –

221

222 **MIKE MUSHKIN**

223 Very quickly.

224

225 **MAYOR GOODMAN**

226 – jammed up agenda.

227

228 **MIKE MUSHKIN**

229 I will take far less time than my – than my, than the City has taken. First, –

230

231 **MAYOR GOODMAN**

**CITY COUNCIL MEETING OF**  
**September 15, 2004**

**VERBATIM TRANSCRIPT — ITEM 75**

232 You'll – take – twenty percent less time. Twenty percent of the time.

233

234 **MIKE MUSHKIN**

235 The, eighty percent.

236

237 **MAYOR GOODMAN**

238 Twenty, no, you'll take twenty percent of the time, please.

239

40 **MIKE MUSHKIN**

241 The, eighty percent. It, the low-income aspect is determined by something called the census  
242 track. And the comment to redraw the area is well taken, but not well researched. And the, in  
243 order to qualify, you have to be within a zone and the Redevelopment Area is – not a problem.  
244 But if you go citywide or some other measure, then you have a problem with qualification. The  
245 CDE itself is a stand-alone entity. It is an entity that can exist for profit. As such, it has  
246 limitations on liability, as any other stand-alone entity would have.

247 Those CDEs are certified and exist as stand-alone entities. The liability of the City, I believe  
248 your attorney will tell you in very short order, is very limited. The idea is, as the, your staff has  
249 told you is, these are in essence joint ventures with a lending institution. We have done the  
.50 legwork. We have established a relationship and hope to be able to move forward.

251 The – issue of timing is very real. We have entered into an agreement with the City, when I say  
252 we, the Arts District, to take some money from the City and supplement that with money out of  
253 our pockets to create a Community Development Entity and make application.

254 Herb Stevens, who is our legal counsel in Washington, was teed up for a 9:30 conference call to  
255 try to give you any direct advice you might need from him. I would suspect that that's, would  
256 have to be done either directly through Mr. Jerbic's office or perhaps in a separate telephonic  
257 conference.

258 Finally, the timing of the application is very real. As you pointed out, there's only three bites left  
259 at this apple. If we don't bite now, then there's only two. And so we're, all of us in the Arts  
260 District have spent an awful lot of time, some of your money and some of our money in getting  
261 ready for this application process. Our request is that you allow the process to go forward. The



**CITY COUNCIL MEETING OF**  
**September 15, 2004**

**VERBATIM TRANSCRIPT — ITEM 75**

262 consultants have told us that the City, being the controlling entity in this CDE, elevates you on  
263 this pecking order of the likelihood of success. Once the tax credits are awarded, nothing is done  
264 until a lending institution is brought in and partnered for the administration of the tax credits.  
265 That's what creates that buffer that everyone's looking about, looking for, in terms of liability  
266 with the City. And, if you have any other questions, I'll answer them.

267  
268 **MAYOR GOODMAN**  
269 Okay. All right. That was helpful. Thank you. All right. All right, thank you very much for  
70 the report, gentlemen. Yes?

271  
272 **MIKE MUSHKIN**  
273 Excuse me. Excuse me. Please. I'm sorry (inaudible)

274  
275 **JACK SOLOMON**  
276 Could I say something, before – we –?

277  
278 **MAYOR GOODMAN**  
279 You have to identify yourself, Mr. Solomon.

280  
281 **JACK SOLOMON**  
282 I'm Jack Solomon. I'm the President of the Las Vegas Arts District Neighborhood Association.  
283 We have hired very competent professional consultants, including the top lawyer, who among  
284 his other attributes got the money last year for Phoenix. We're following his advice. He was the  
285 lawyer that was recommended when our Arts District Neighborhood Association said that this  
286 was so complicated, in order to get this funding that we needed to have consultants. We're  
287 paying a hundred thousand dollars to the consultants, of which the City generously has given us  
288 \$55,000 and we have come up with the balance privately. We're following their advice.  
289 We're at the very last minute now. We have to have our application in the first week in October,  
290 and there's a lot of work to be done before that. So now, there's a whole bunch of issues being  
291 raised that our board and myself are not cognizant of. What we're afraid of is if we miss this, we

**CITY COUNCIL MEETING OF**  
**September 15, 2004**

**VERBATIM TRANSCRIPT — ITEM 75**

292 have already filed, we've, we have created our entity. We have a temporary officers and board.  
293 We have spoken to various people in the City, including City Council, including OBD and so  
294 forth. And all of the questions that have been raised, we have said there are answers to it. Our  
295 advisors tell us that the Arts District has an excellent chance of getting the award. It's  
296 competitive with various cities. We're now a year and a half into this thing. And we're about to  
297 lose a hundred and fifty million dollars of credits to transform the Downtown Arts District into  
298 something fabulous. We have investors, we have everybody standing by and if we keep delaying  
299 it, and finding knicks and knacks, which has been something that has been very frustrating to me,  
00 if we don't make this application by the first week in October, which is in approximately three  
301 weeks and we have to do a lot of work between now and then, we're out. The City will lose out  
302 again and it, it's just to me very, very frustrating.

303  
304 **MAYOR GOODMAN**  
305 Okay. Well, what I want to know, Mr. Adams, I want to know whether or not if we go forward  
306 that the City won't have any liability, that we will have the opportunity to work with a lending  
307 institution and that the project can go forward. But I have to know that.

308  
309 **BRAD JERBIC**  
310 Your Honor, if I could, and I don't mean to poach the question from Mr. Adams, I know that he  
311 may have some comments as well. The Resolution that is Number 88 on the agenda that follows  
312 this as a companion item, it doesn't address City liability. It addresses director liability and what  
313 it calls for is indemnification of any City members that sit on this particular board. And I, I'll  
314 read it specifically, line 2 after the – whereas is that the Bylaws specifically provide that  
315 LVADDC indemnify those persons who serve as the directors of LVADDC and that such Bylaw  
316 provision be acceptable to the City. So, that gives us some reasonable assurance that at least the  
317 directors are covered.  
318 Number three addresses it further, that the LVADDC purchase and maintain insurance on behalf  
319 of any person who is or was a director of LVADDC against any liability asserted against him or  
320 her or incurred by him or her in such capacity or arising out of his or her status as such, whether  
321 or not LVADDC would have the power to indemnify against such liability under the indemnity

**CITY COUNCIL MEETING OF**  
**September 15, 2004**

**VERBATIM TRANSCRIPT — ITEM 75**

322 provision in the Bylaws. That is about as good as we're probably going to get with respect to the  
323 directors themselves.

324 With respect to City liability, as you know, we have tort caps for – torts. I can't tell you that I  
325 can really opine any further than that with respect to the City's liability. I can – only tell you that  
326 at least the directors are covered in the – Resolution.

327

328 **MAYOR GOODMAN**

329 Okay. Well, that's – the kind of answers that I wanted to get. Yes, Sir.

30

331 **ED GARCIA**

332 Your Honor, if I might. Ed Garcia with Jones Vargas, here representing World Market Center. I  
333 just want to draw a distinction here, not to mix and muddle the issues, but there's two separate  
334 applications here before you. One with the World Market Center is not the same as the Arts  
335 District, which you're familiar with.

336

337 **MAYOR GOODMAN**

338 No, we appreciate that.

339

340 **ED GARCIA**

341 And ours is only, simply asking for you to appoint one member of the advisory board, not to be  
342 the controlling entity, and so we'd like to see that one move forward. We have the same time  
343 considerations as the other applicants, but we'd like to know that those are separate and distinct  
344 and what we are requesting is very different from what they are requesting.

345

346 **MAYOR GOODMAN**

347 Okay. I appreciate that. Thank you. Thanks for the report, everybody. Preciate it.

348

**(END OF DISCUSSION)**

349 /slc/vwd;ac

**AGENDA SUMMARY PAGE**  
**CITY COUNCIL MEETING OF: SEPTEMBER 15, 2004**

**DEPARTMENT: CITY ATTORNEY**

**DIRECTOR: BRADFORD R. JERBIC**

☐

**CONSENT**

☒

**DISCUSSION**

**SUBJECT:**

Discussion and possible action on Appeal of Work Card Denial: Theresa Yvonne Carr, 3255 Epson Street, Las Vegas, Nevada 89129

**Fiscal Impact**

☒

**No Impact**

**Amount:**

☐

**Budget Funds Available**

**Dept./Division:**

☐

**Augmentation Required**

**Funding Source:**

**PURPOSE/BACKGROUND:**

**RECOMMENDATION:**

**BACKUP DOCUMENTATION:**

Appellant Letter of Appeal and City Clerk Notification Letter to Appellant

**MOTION:**

**REESE – Motion to bring forward and STRIKE Items 76 and 98 and Hold in ABEYANCE Items 77 and 80 to 10/6/2004 – UNANIMOUS**

**MINUTES:**

There was no discussion.

(9:29 – 9:30)

1-755

RECEIVED  
CITY CLERK

2004 SEP -1 P 1:00

September 1, 2004

City Clerk  
City of Las Vegas  
400 Stewart Avenue  
Las Vegas, Nevada 89101

To Whom It May Concern:

I wish to appeal the Metropolitan Police Department's denial of my Work Card application to the Las Vegas City Council.

Sincerely,

*Theresa Y. Carr*

Theresa Yvonne Carr  
3255 Epson Street  
Las Vegas, NV 89129



LAS VEGAS CITY COUNCIL

OSCAR B. GOODMAN  
MAYOR

GARY REESE  
MAYOR PRO TEM

LARRY BROWN  
WRENCE WEEKLY  
MICHAEL MACK  
JANET MONCRIEF  
STEVE WOLFSON

DOUGLAS A. SELBY  
CITY MANAGER

September 1, 2004

Teresa Yvonne Carr  
3255 Epsdon Street  
Las Vegas, NV 89129

Re: **WORK CARD APPEAL**

Dear Ms. Carr:

I am in receipt of your formal appeal to the City Council regarding the denial of a work card. This matter will be heard by the City Council at their regularly scheduled meeting of **September 15, 2004**.

Your appeal is scheduled to be heard during the morning session of the meeting, which commences at 9:00 a.m. We would advise that you be in attendance to present your appeal and answer any questions which may arise.

Occasionally, the City Council has been persuaded to grant a work card to an applicant through the intercession of the applicant's prospective employer. Therefore, if you think that your prospective employer would acknowledge, either in writing or personally before the City Council at your hearing, that he is aware of the reasons your work card was originally denied and wishes to hire you anyway, I urge you to request him to do so.

If a letter is submitted to the Council, it must be from the licensee or principal who must be approved for suitability under Las Vegas Municipal Code Chapter 6.06 (the owner of the business, other principal or key employee) for the establishment in which you are seeking employment. Also, you should bring to the hearing all other materials which may assist you in your appeal.

Sincerely,

Arlene Coleman  
Deputy City Clerk I for  
Barbara Jo Ronemus, City Clerk

/pc

cc: City Attorney-Civil  
Las Vegas Metropolitan Police Department - SIB

CITY OF LAS VEGAS  
400 STEWART AVENUE  
LAS VEGAS, NEVADA 89101

VOICE 702.229.6011  
TDD 702.386.9108  
[www.lasvegasnevada.gov](http://www.lasvegasnevada.gov)  
18112-001-8/04

**AGENDA SUMMARY PAGE**  
**CITY COUNCIL MEETING OF: SEPTEMBER 15, 2004**

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**DEPARTMENT: CITY ATTORNEY**

**DIRECTOR: BRADFORD R. JERBIC**

☐

**CONSENT**

☒

**DISCUSSION**

**SUBJECT:**

Discussion and possible action on Appeal of Work Card Denial: James Jason Walker, 3240 Westwind Road, Las Vegas, Nevada 89146

**Fiscal Impact**

☒

**No Impact**

**Amount:**

☐

**Budget Funds Available**

**Dept./Division:**

☐

**Augmentation Required**

**Funding Source:**

**PURPOSE/BACKGROUND:**

**RECOMMENDATION:**

**BACKUP DOCUMENTATION:**

1. Appellant Letter of Appeal
2. City Clerk Notification Letter to Appellant
3. Letter in Support of Hiring

**MOTION:**

**REESE – Motion to bring forward and STRIKE Items 76 and 98 and Hold in ABEYANCE Items 77 and 80 to 10/6/2004 – UNANIMOUS**

**MINUTES:**

There was no discussion.

(9:29 – 9:30)

1-755

RECEIVED  
CITY CLERK

2004 SEP -1 A 11: 37

September 1, 2004

City Clerk  
City of Las Vegas  
400 Stewart Avenue  
Las Vegas, Nevada 89101

To Whom It May Concern:

I wish to appeal the Metropolitan Police Department's denial of my Work Card application to the Las Vegas City Council.

Sincerely,



James Jason Walker  
3240 Westwind Road  
Las Vegas, NV 89146





LAS VEGAS CITY COUNCIL

OSCAR B. GOODMAN  
MAYOR

GARY REESE  
MAYOR PRO TEM

LARRY BROWN  
WRENCE WEEKLY  
MICHAEL MACK  
JANET MONCRIEF  
STEVE WOLFSON

DOUGLAS A. SELBY  
CITY MANAGER

September 1, 2004

James Jason Walker  
3240 Westwind Road  
Las Vegas, NV 89146

Re: **WORK CARD APPEAL**

Dear Mr. Walker:

I am in receipt of your formal appeal to the City Council regarding the denial of a work card. This matter will be heard by the City Council at their regularly scheduled meeting of **September 15, 2004.**

Your appeal is scheduled to be heard during the morning session of the meeting, which commences at 9:00 a.m. We would advise that you be in attendance to present your appeal and answer any questions which may arise.

Occasionally, the City Council has been persuaded to grant a work card to an applicant through the intercession of the applicant's prospective employer. Therefore, if you think that your prospective employer would acknowledge, either in writing or personally before the City Council at your hearing, that he is aware of the reasons your work card was originally denied and wishes to hire you anyway, I urge you to request him to do so.

If a letter is submitted to the Council, it must be from the licensee or principal who must be approved for suitability under Las Vegas Municipal Code Chapter 6.06 (the owner of the business, other principal or key employee) for the establishment in which you are seeking employment. Also, you should bring to the hearing all other materials which may assist you in your appeal.

Sincerely,

A handwritten signature in cursive script that reads "Arlene Coleman".

Arlene Coleman  
Deputy City Clerk I for  
Barbara Jo Ronemus, City Clerk

/pc

cc: City Attorney-Civil  
Las Vegas Metropolitan Police Department - SIB

CITY OF LAS VEGAS  
400 STEWART AVENUE  
LAS VEGAS, NEVADA 89101

VOICE 702.229.6011  
TDD 702.386.9108  
[www.lasvegasnevada.gov](http://www.lasvegasnevada.gov)  
18112-001-8/04



To whom it may Concern-

August. 27, 2004

I Nicole Moberly Proprieter of the Outback Steakhouse located at 1950 N. Rainbow Blvd. Have offered a job to James Walker (social security #530-37-24) I have been told about his past conviction and still want to hire him. If you have any questions please feel free to call me. But in order for him to get hired he needs a Sheriff's call.

Thank You,

Nicole Moberly

**AGENDA SUMMARY PAGE**  
**CITY COUNCIL MEETING OF: SEPTEMBER 15, 2004**

**DEPARTMENT: FINANCE AND BUSINESS SERVICES**

**DIRECTOR: MARK R. VINCENT**

☐

**CONSENT**

☒

**DISCUSSION**

**SUBJECT:**

Discussion and possible action regarding a new Psychic Art and Science License, Nina Demetro, dba Psychic World, 1820 Hassett Avenue, Nina Demetro, 100% - Ward 3 (Reese)

**Fiscal Impact**

☒

**No Impact**

**Amount:**

☐

**Budget Funds Available**

**Dept./Division:**

☐

**Augmentation Required**

**Funding Source:**

**PURPOSE/BACKGROUND:**

Discussion and possible action regarding a new Psychic Art and Science License

**RECOMMENDATION:**

Recommendation to be given following discussion of this item at the City Council meeting

**BACKUP DOCUMENTATION:**

None

**MOTION:**

**REESE – APPROVED the license subject to a six-month (3/16/2005) review and prohibiting door-to-door solicitation of services and services at her home – UNANIMOUS**

**MINUTES:**

The applicant was present.

JIM DiFIORE, Manager, Business Services, indicated that there was no area of concern with MS. DEMETRO'S background check. However, during the report, it was brought to his attention that she intended to go door-to-door as part of her operation. He spoke with her and she assured him that is not the case. She would like to open a commercial location but does not have the money. She was scheduled to provide services at the San Gennaro Feast, and she will be limited to various events until she finds a commercial location and by appointment only. MR. DiFIORE suggested approval subject to a six-month review and prohibiting her to go door-to-door to solicit her services. No services will be performed at her home. COUNCILMAN REESE confirmed with MS. DEMETRO that she understood the conditions.

(10:47 – 10:49)

2-380

**AGENDA SUMMARY PAGE**  
**CITY COUNCIL MEETING OF: SEPTEMBER 15, 2004**

**DEPARTMENT: FINANCE AND BUSINESS SERVICES**

**DIRECTOR: MARK R. VINCENT**

☐

**CONSENT**

☒

**DISCUSSION**

**SUBJECT:**

Discussion and possible action regarding Temporary Approval of Change of Ownership and Business Name for a Beer/Wine/Cooler On-sale License subject to the provisions of the fire codes and Health Dept. regulations, From: Kowloon, LLC, dba Kowloon Cuisine, Yuk S. Wong, Mgr, 60%, Xiao-Yun Zhu, Mgr, 40%, To: Steven, LLC, dba Pho Tien Asian Cuisine, 1750 North Buffalo Drive, Suite 107, Steven Wynn, Mgr, Mmbr, 100% - Ward 4 (Brown)

**Fiscal Impact**

☒

**No Impact**

**Amount:**

☐

**Budget Funds Available**

**Dept./Division:**

☐

**Augmentation Required**

**Funding Source:**

**PURPOSE/BACKGROUND:**

Discussion and possible action regarding Temporary Approval of Change of Ownership and Business Name for a Beer/Wine/Cooler On-sale License

**RECOMMENDATION:**

Recommend approval subject to the provisions of the fire codes and Health Dept. regulations with authority for the Director or Designee to issue a permanent license upon receipt of a favorable police report

**BACKUP DOCUMENTATION:**

1. Agenda Memo
2. Letter from Steven Wynn
3. Map

**MOTION:**

**BROWN – APPROVED** the temporary license, subject to provisions as recommended, with the manager of Business Services granted the authority to approve the permanent license after completion of appropriate process - **UNANIMOUS**

**MINUTES:**

The applicant was present.

JIM DiFIORE, Manager, Business Services, indicated that the applicant met the criteria for consideration of a temporary license and suggested approval as recommended.

(10:49 - 10:50)

2-458

**AGENDA MEMO**

**CITY COUNCIL MEETING DATE: SEPTEMBER 15, 2004**

**DEPARTMENT: FINANCE AND BUSINESS SERVICES**

**ITEM DESCRIPTION: Discussion and possible action regarding Temporary Approval of Change of Ownership and Business Name for a Beer/Wine/Cooler On-sale License subject to the provisions of the fire codes and Health Dept. regulations, To: Steven, LLC, dba Pho Tien Asian Cuisine, 1750 North Buffalo Drive, Suite 107**

---

The applicant is requesting approval of a temporary license as provided by LVMC 6.06.051, which reads as follows:

(A) City Council may grant a temporary license pending its decision regarding a license application in order to determine:

- (1) The applicant's fitness for a license; and
- (2) The appropriateness of the applicant's business location.

(B) A temporary license shall not be granted under this Section unless:

- (1) All principals required to be approved for suitability have submitted a complete investigation packet for determination of suitability and paid all applicable fees;
- (2) The Director makes a preliminary finding that all of the principals of the business are suitable; and
- (3) The applicant has submitted a completed and accurate license application and has paid all required application fees.

The attached letter dated August 25, 2004 from the applicant outlines the request for temporary license.

The applicant submitted all of the required documentation and paid all applicable fees for investigation on August 25, 2004. Based on a review of the SCOPE printout furnished to this Department, we have determined that he is preliminarily suitable to hold a temporary alcoholic beverage license until the investigation is complete.

In the event the Special Investigations Section, Las Vegas Metropolitan Police Department, should develop an area of concern with this applicant this item will be brought back before the Council for appropriate action.

STEVEN

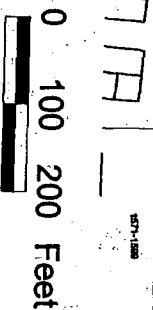
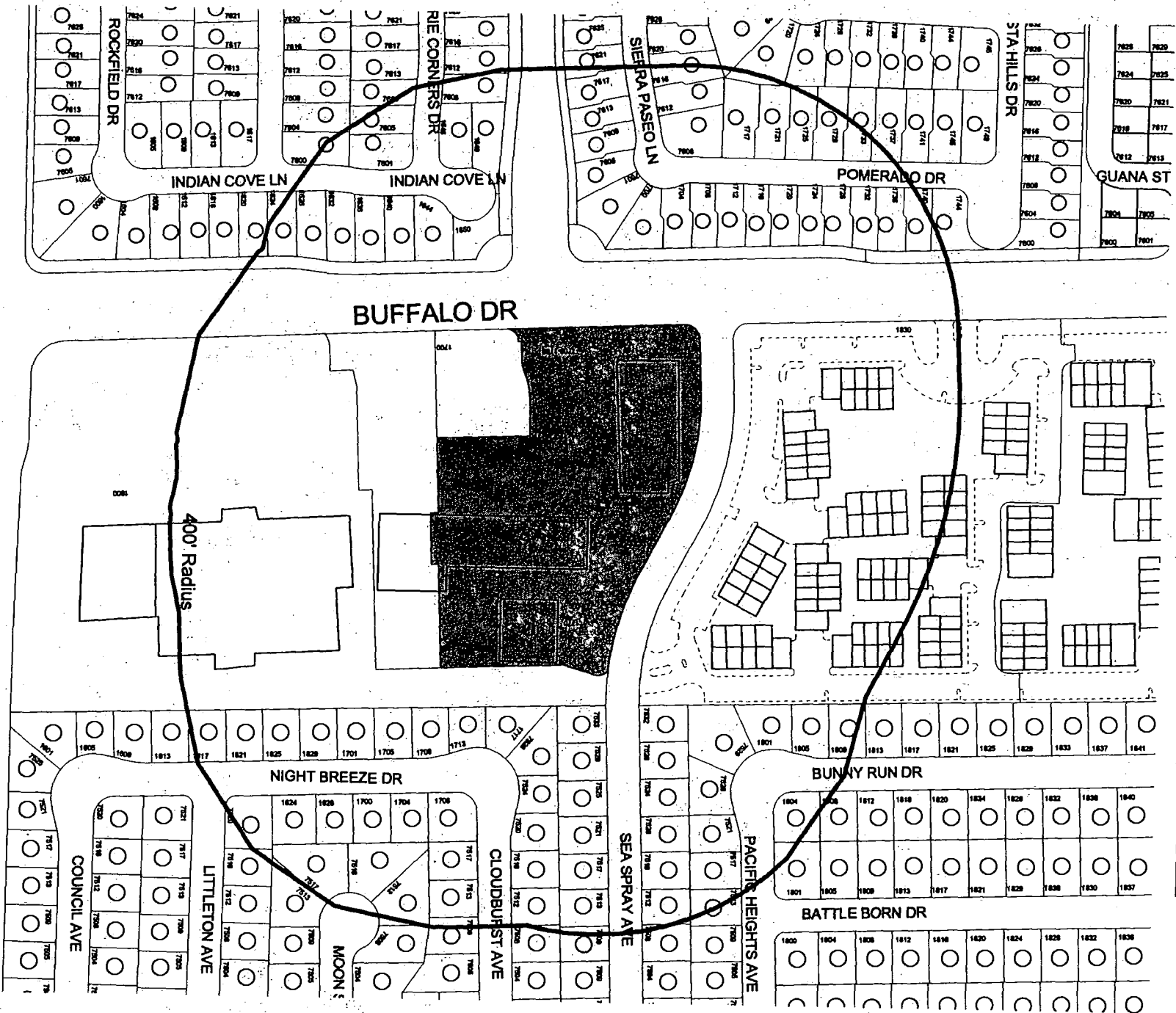
I'd like to request the temporary license for  
Beer & Wine to continue to serve for the  
Customer. I'll take ~~over~~ over the business  
on Oct 1st 2007.      Aug 25-2007

Thanks you !!

Steven Wynn

Steven Wynn

# PHO TIEN ASIAN CUISINE



**AGENDA SUMMARY PAGE**  
**CITY COUNCIL MEETING OF: SEPTEMBER 15, 2004**

**DEPARTMENT: FINANCE AND BUSINESS SERVICES**

**DIRECTOR: MARK R. VINCENT**

☐

**CONSENT**

☒

**DISCUSSION**

**SUBJECT:**

Discussion and possible action regarding Change of Ownership, Location and Business Name for a Tavern License subject to the provisions of the planning codes and Health Dept. regulations, From: Bola III, LLC, dba La Salsa Fresh Mexican Grill, 4949 North Rancho Drive (Non-operational), Lawrence T. Simon, Mgr, Mmbr, and Monica A. Simon, Mgr, Mmbr, 13.77% jointly as husband and wife, Robert H. Whalen, Mgr, Mmbr, 5.3%, Laura A. Cunningham, Mgr, Mmbr, 1.06%, Nevada Franchise, LLC, Mmbr, 79.87%, Lawrence T. Simon, Mgr, Pres, Secy, Treas, SFFG, LLC, Mmbr, 100%, Lawrence T. Simon, Mgr, Pres, Secy, Treas, To: Celebrity Las Vegas, LLC, dba Celebrity Las Vegas, 201 North 3<sup>rd</sup> Street, Donald D. Troxel, Mgr, Mmbr, 100% (NOTE: Item to be heard in the afternoon session in conjunction with Item 148 - SUP-4739) - Ward 5 (Weekly)

**Fiscal Impact**

☒

**No Impact**

**Amount:**

☐

**Budget Funds Available**

**Dept./Division:**

☐

**Augmentation Required**

**Funding Source:**

**PURPOSE/BACKGROUND:**

Discussion and possible action regarding Change of Ownership, Location and Business Name for a Tavern License

**RECOMMENDATION:**

Recommend approval subject to the provisions of the planning codes and Health Dept. regulations

**BACKUP DOCUMENTATION:**

None

**MOTION:**

**REESE – Motion to bring forward and STRIKE Items 76 and 98 and Hold in ABEYANCE Items 77 and 80 to 10/6/2004 – UNANIMOUS**

**MINUTES:**

There was no discussion.

(9:29 – 9:30)

1-755



**AGENDA SUMMARY PAGE**  
**CITY COUNCIL MEETING OF: SEPTEMBER 15, 2004**

**DEPARTMENT: FINANCE AND BUSINESS SERVICES**

**DIRECTOR: MARK R. VINCENT**

☐

**CONSENT**

☒

**DISCUSSION**

**SUBJECT:**

Discussion and possible action regarding Approval of Key Employee for a Tavern License and a Restricted Gaming License for 15 slots, Dick's Liquors, Inc., dba Cooler Lounge, 1903 North Decatur Boulevard, Jo Ann Milton, Key Employee - Ward 5 (Weekly)

**Fiscal Impact**

☒

**No Impact**

**Amount:**

☐

**Budget Funds Available**

**Dept./Division:**

☐

**Augmentation Required**

**Funding Source:**

**PURPOSE/BACKGROUND:**

Discussion and possible action regarding Approval of Key Employee

**RECOMMENDATION:**

Recommendation to be provided following discussion of this item at the City Council meeting

**BACKUP DOCUMENTATION:**

None

**MOTION:**

**WEEKLY – APPROVED** the temporary license, subject to a six-month (3/16/2005) review and subject to provisions as recommended, with the manager of Business Services granted the authority to approve the permanent license after completion of appropriate process - **UNANIMOUS**

**MINUTES:**

The applicant was present.

JIM DiFIORE, Manager, Business Services, turned the matter over to STACY RODD, Detective, Las Vegas Metropolitan Police Department, who referred to the confidential report and indicated that since MS. MILTON'S husband took over this business in 1981 she has been functioning as the de facto key employee without the proper licensure. Violations include service to minors and State and Municipal Code violations that were addressed with notices of non-compliance and citations. During one disturbance, the applicant was not present and refused to respond until MR. DiFIORE convinced her to come to the premises. All documentation and permits show that MS. MILTON, although not properly licensed, is the responsible party for the business.

MS. MILTON countered that she responded; it was her daughter that would not respond. The reason she has never been licensed is because her husband is the president of the corporation, on which she is not listed. She and her husband run the business, but she does the bookkeeping and the cleaning. Her husband could not respond to the one disturbance because he was in the hospital.

CITY COUNCIL MEETING OF SEPTEMBER 15, 2004

Finance and Business Services

Item 81 – Discussion and possible action regarding Approval of Key Employee for a Tavern License and a Restricted Gaming License for 15 slots, Dick's Liquors, Inc., dba Cooler Lounge, 1903 North Decatur Boulevard, Jo Ann Milton, Key Employee – Ward 5 (Weekly)

**MINUTES – Continue:**

MR. DiFIORE clarified that MR. MILTON, as a corporate officer, is an absentee owner, and that is why MS. MILTON was called forward as a key employee. He then suggested temporary approval with a six –month review. He noted that, because of the nature of the concerns, he is concerned about how the business is being operated and managed. If the problems continue, especially with the minors, he is going to bring the matter before the Council on cause for disciplinary action.

MS. MILTON interjected that the issue with the citation regarding the minors was dismissed with six-months probation. MAYOR GOODMAN mentioned to MS. MILTON if she and her husband do not run a clean establishment and follow the law, MR. DiFIORE could ask for disciplinary action, which could entail revoking the license for the store. MS. MILTON said that she fully understood.

(10:50 - 10:56)

2-490

**AGENDA SUMMARY PAGE**  
**CITY COUNCIL MEETING OF: SEPTEMBER 15, 2004**

**DEPARTMENT: FINANCE AND BUSINESS SERVICES**

**DIRECTOR: MARK R. VINCENT**

☐

**CONSENT**

☒

**DISCUSSION**

**SUBJECT:**

Discussion and possible action regarding a new Burglar Alarm Service License, All Secure, Inc., dba All Secure, Inc., 3904 Wharton Street, Noel Emanuel, Dir, Pres, Secy, Treas, 100% - Ward 6 (Mack)

**Fiscal Impact**

☒

**No Impact**

**Amount:**

☐

**Budget Funds Available**

**Dept./Division:**

☐

**Augmentation Required**

**Funding Source:**

**PURPOSE/BACKGROUND:**

Discussion and possible action regarding a new Burglar Alarm Service License

**RECOMMENDATION:**

Recommendation to be provided following discussion of this item at the City Council meeting

**BACKUP DOCUMENTATION:**

None

**MOTION:**

**MACK – APPROVED subject to a six-month (3/16/2005) review – UNANIMOUS**

**MINUTES:**

The applicant was present.

JIM DiFIORE, Manager, Business Services, explained that this matter was brought before the Council because during the application process and changing businesses, the applicant had made two bid awards under another business, as the qualifying agent, and was given a stern warning by the Nevada Contractors Board. There are no suitability concerns that came up in the background check; however, he suggested a six-month review to ensure that no concerns arise.

MR. EMANUEL indicated that he holds multiple licenses in security and is fully licensed with the State of Nevada and with various jurisdictions. When he decided to go into business for himself, he informed the State Board that he would no longer be a QE (Qualifying Employee) and filed application for licensure; however, he did not know that he would be giving up his initial license by turning in his QE. When he found this out, he removed his old business license number and included the new one and has been doing business legally since then.

(10:56 – 10:59)

2-691

**AGENDA SUMMARY PAGE**  
**CITY COUNCIL MEETING OF: SEPTEMBER 15, 2004**

**DEPARTMENT: FINANCE AND BUSINESS SERVICES**

**DIRECTOR: MARK R. VINCENT**

☐

**CONSENT**

☒

**DISCUSSION**

**SUBJECT:**

Discussion and possible action regarding Temporary Approval of a new Psychic Art and Science License subject to the provisions of the planning and fire codes, Jodi Ann Hazzard, dba Jodi Ann Hazzard, 6848 West Charleston Boulevard, Jodi Ann Hazzard, 100% - Ward 1 (Moncrief)

**Fiscal Impact**

☒

**No Impact**

**Amount:**

☐

**Budget Funds Available**

**Dept./Division:**

☐

**Augmentation Required**

**Funding Source:**

**PURPOSE/BACKGROUND:**

Discussion and possible action regarding Temporary Approval of a new Psychic Art and Science License

**RECOMMENDATION:**

Recommend approval subject to the provisions of the planning and fire codes with authority for the Director or Designee to issue a permanent license upon receipt of a favorable police report

**BACKUP DOCUMENTATION:**

1. Agenda Memo
2. Letter from Jodi Ann Hazzard
3. Map
4. Submitted after Final Agenda - Opposition letter from Charleston Neighborhood Preservation

**MOTION:**

**MONCRIEF – APPROVED the temporary license, subject to provisions as recommended, with the manager of Business Services granted the authority to approve the permanent license after completion of appropriate process – UNANIMOUS**

NOTE: COUNCILMAN MACK disclosed that there is a SuperPawn shop owned by his brother, Steven Mack, which is under contract to be sold. He is no longer a consultant for his brother's company. He did not believe this matter would have any affect on his relative's business; therefore. he would be voting.

**MINUTES:**

The applicant was present.

JIM DiFIORE, Manager, Business Services, stated that the applicant met the requirements to be considered for a temporary license. He recommended approval of a temporary license.

(10:59 – 11:01)

2-787

**AGENDA MEMO**

**CITY COUNCIL MEETING DATE: SEPTEMBER 15, 2004**

**DEPARTMENT: FINANCE AND BUSINESS SERVICES**

**ITEM DESCRIPTION: Discussion and possible action regarding Temporary Approval of a new Psychic Art and Science License subject to the provisions of the planning and fire codes, Jodi Ann Hazzard, dba Jodi Ann Hazzard, 6848 West Charleston Boulevard**

---

The applicant is requesting approval of a temporary license as provided by LVMC 6.06.051, which reads as follows:

(A) City Council may grant a temporary license pending its decision regarding a license application in order to determine:

- (1) The applicant's fitness for a license; and
- (2) The appropriateness of the applicant's business location.

(B) A temporary license shall not be granted under this Section unless:

- (1) All principals required to be approved for suitability have submitted a complete investigation packet for determination of suitability and paid all applicable fees;
- (2) The Director makes a preliminary finding that all of the principals of the business are suitable; and
- (3) The applicant has submitted a completed and accurate license application and has paid all required application fees.

The attached letter dated August 16, 2004 from the applicant outlines the request for temporary license.

The applicant submitted all of the required documentation and paid all applicable fees for investigation on August 16, 2004. Based on a review of the SCOPE printout and documentation from the Bethel Connecticut Police Department furnished to this Department by the applicant, we have determined she is preliminarily suitable to hold a temporary psychic art & science business license until the investigation is complete.

In the event the Special Investigations Section, Las Vegas Metropolitan Police Department, should develop an area of concern with this individual this item will be brought back before the Council for appropriate action.

Jim Difiore  
Business Services Division  
City of Las Vegas

8-16-04

Dear Jim Difiore:

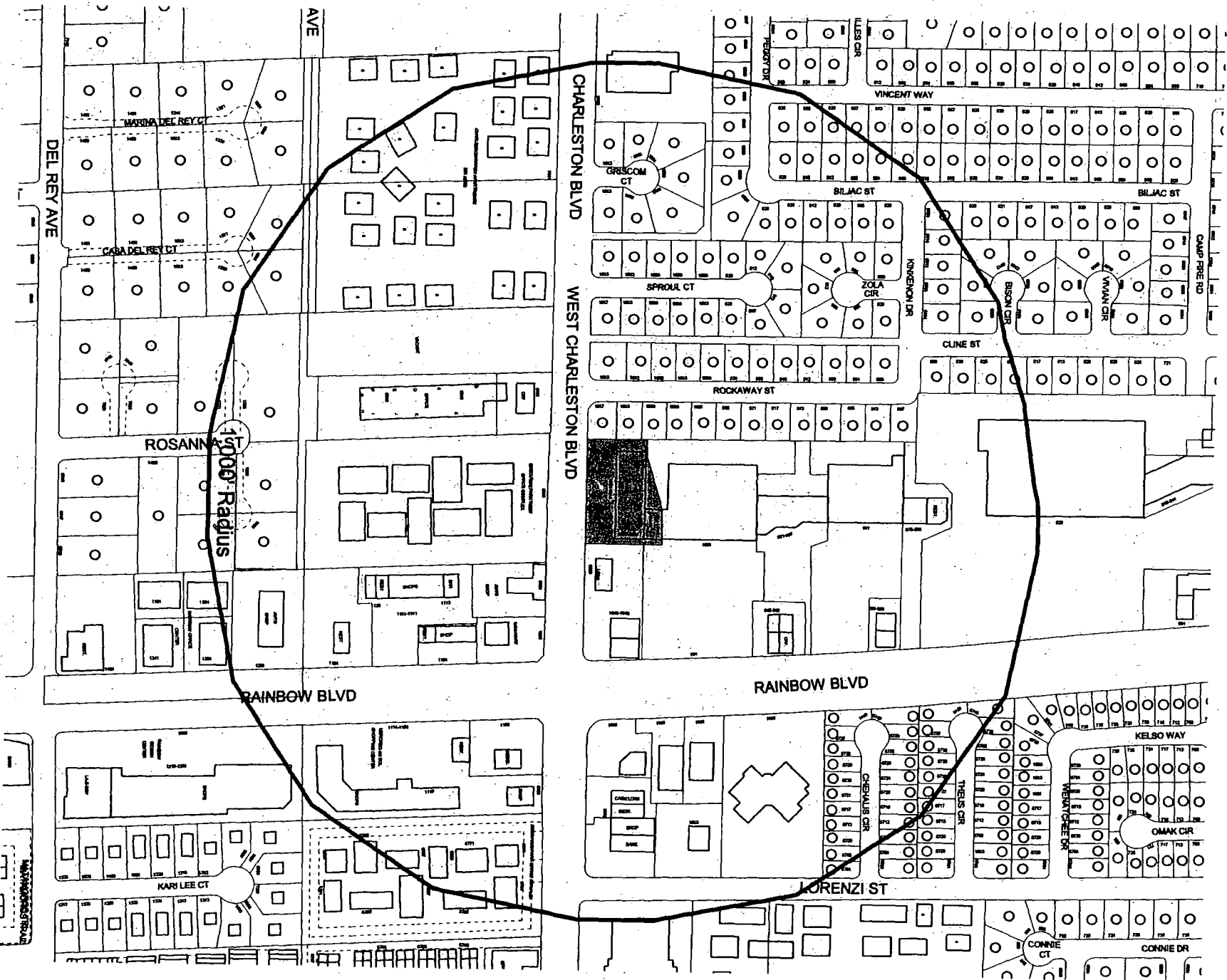
I have applied for my business license with the City of Las Vegas.

I have the opportunity to work (pending licensure) as soon as possible. Since I am the sole provider of income for my family it's important for me to work a.s.a.p. I'd like to request a temporary license while my permanent license is being processed.

Thank you in advance for your consideration.

Jodi Ann Hayzard  
4379 Mangrove Bay St.  
Las Vegas, NV 89147  
702-354-5634

# JODI ANN HAZZARD



0 200 400 Feet





## CHARLESTON NEIGHBORHOOD PRESERVATION

"Doing things today that will improve tomorrow"

PHONE/FAX: (702) 877-2438

**Protest**

14 September 2004

to: CLV Mayor GOODMAN and Councilpersons BROWN, MACK, MONCRIEF,  
REESE, WEEKLY and WOLFSON

Please consider the following concerns and address them regarding the several agenda items. We will be observing.

Councilpersons Moncrief and Weekly, Charleston Neighborhood Preservation, eagerly awaits any Pioneer Trails action.

#50 & #51—Action at Mirabelli also eagerly welcomed.

#65—Councilman Wolfson, this "real world" change is welcomed.

#66—The DEVELOPMENT of the project and housing must incorporate the requests of the HOA people in the abutting area such as trees for screening for visual and noise abatement also, traffic control.

#83—No for this business at this location. Congestion here does not accommodate for customers of such business.

#87—Well, if Mayor & Council are happy, in this instance, Charleston Neighborhood Preservation will try to be happy.

#88—Yes, to CLV being the controlling entity. NO, to all Directors being appointed by any one person!

#95—NO, NO, NO. Residents are at this time, unable to vote for PLANNING commissioners, therefore, under no circumstances can you allow their vote to become the law of the land. Such a proposal is shocking in an American city government. If State law does suggest such action, such action must be removed. Mr. Genzer, we request an appointment with you to discuss this at your earliest convenience.

#104—Staff has made the best decision here. Preventing public access to streets paid for by them (us) leads to no favorable circumstances. We think that a granted "variance" has led to these subsequent requests. Closing Alta between Decatur and Buffalo would certainly quiet our neighborhood.

#107—You should go with denial. The parade of electeds to the stand during Plan. Commission do not even represent the area.

#129, 130, 131—We welcome Albertson's to this area.

### MEMBERS

Vicki Arnold - Jessica Clark - Miriam Ben - Marcus Gobel - Rose Housh - June Ingram - Rick Johnson  
Gene & Pearl Leonardo - Sherry Mason - Dorothy Orr - Barbara Roth - Layne Rushforth - Pamela Sings - Others

RECEIVED  
CITY CLERK  
004 SEP 15 A 10:33

**Support**

**see p2 +**

9/15/04 Item #83



**AGENDA SUMMARY PAGE**  
**CITY COUNCIL MEETING OF: SEPTEMBER 15, 2004**

**DEPARTMENT: FINANCE AND BUSINESS SERVICES**

**DIRECTOR: MARK R. VINCENT**

☐ **CONSENT**

☒ **DISCUSSION**

**SUBJECT:**

Discussion and possible action regarding Temporary Approval of Change of Ownership and Business Name for a Class II Secondhand Dealer License subject to the provisions of the fire codes, From: Kid to Kid of Summerlin, LLC, dba Kid to Kid of Summerlin, LLC, Tina M. Vialard, Mmbr, 50%, Jeffrey R. Vialard, 50%, To: Home Planet, Inc., dba Kid to Kid, 8450 West Sahara Avenue, Suite 105, Douglas R. MacPherson, Dir, Pres, 50%, Fumiko MacPherson, Dir, Secy, Treas, 50% - Ward 1 (Moncrief)

**Fiscal Impact**

☒ **No Impact**

**Amount:**

☐ **Budget Funds Available**

**Dept./Division:**

☐ **Augmentation Required**

**Funding Source:**

**PURPOSE/BACKGROUND:**

Discussion and possible action regarding Temporary Approval of Change of Ownership and Business Name for a Class II Secondhand Dealer License

**RECOMMENDATION:**

Recommend approval subject to the provisions of the fire codes with authority for the Director or Designee to issue a permanent license upon receipt of a favorable police report

**BACKUP DOCUMENTATION:**

1. Agenda Memo
2. Letter from Doug and Fumika MacPherson
3. Map

**MOTION:**

**MONCRIEF – APPROVED the temporary license, subject to provisions as recommended, with the manager of Business Services granted the authority to approve the permanent license after completion of appropriate process – UNANIMOUS**

**MINUTES:**

The applicant was not present.

JIM DiFIORE, Manager, Business Services, stated that the applicant met the requirements to be considered for a temporary license. He recommended approval of a temporary license.

(11:01)

2-837

**AGENDA MEMO**

**CITY COUNCIL MEETING DATE: SEPTEMBER 15, 2004**

**DEPARTMENT: FINANCE AND BUSINESS SERVICES**

**ITEM DESCRIPTION: Discussion and possible action regarding Temporary Approval of Change of Ownership and Business Name for a Class II Secondhand Dealer License, To: Home Planet, Inc., dba Kid to Kid, 8450 West Sahara Avenue, Suite 105**

---

The applicant is requesting approval of a temporary license as provided by LVMC 6.06.051, which reads as follows:

(A) City Council may grant a temporary license pending its decision regarding a license application in order to determine:

- (1) The applicant's fitness for a license; and
- (2) The appropriateness of the applicant's business location.

(B) A temporary license shall not be granted under this Section unless:

- (1) All principals required to be approved for suitability have submitted a complete investigation packet for determination of suitability and paid all applicable fees;
- (2) The Director makes a preliminary finding that all of the principals of the business are suitable; and
- (3) The applicant has submitted a completed and accurate license application and has paid all required application fees.

The attached letter dated August 25, 2004 from the applicant outlines the request for temporary license.

The applicant submitted all of the required documentation and paid all applicable fees for investigation on August 27, 2004. Based on documentation submitted from the Pittsburgh Police Department, we have determined that they are preliminarily suitable to hold a temporary secondhand dealer license until the investigation is complete.

In the event the Special Investigations Section, Las Vegas Metropolitan Police Department, should develop an area of concern with this applicant this item will be brought back before the Council for appropriate action.

August 25, 2004

City of Las Vegas  
Privelege License Department

RE: Kid to Kid

Dear Sirs:

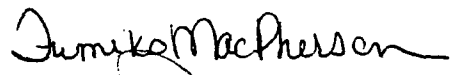
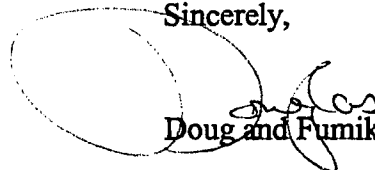
Please accept this letter as my request for a temporary license to conduct business in the City of Las Vegas. I am purchasing the business commonly known as Kid to Kid, located at 8450 W. Sahara Ave., Las Vegas, Nevada 89117.

The current owner Tina Vialard is very ill and no longer able to run the business. Her husband, Jeffrey Vialard is currently working for Las Vegas Metropolitan Police Department in the Vice department and cannot run the business at this time.

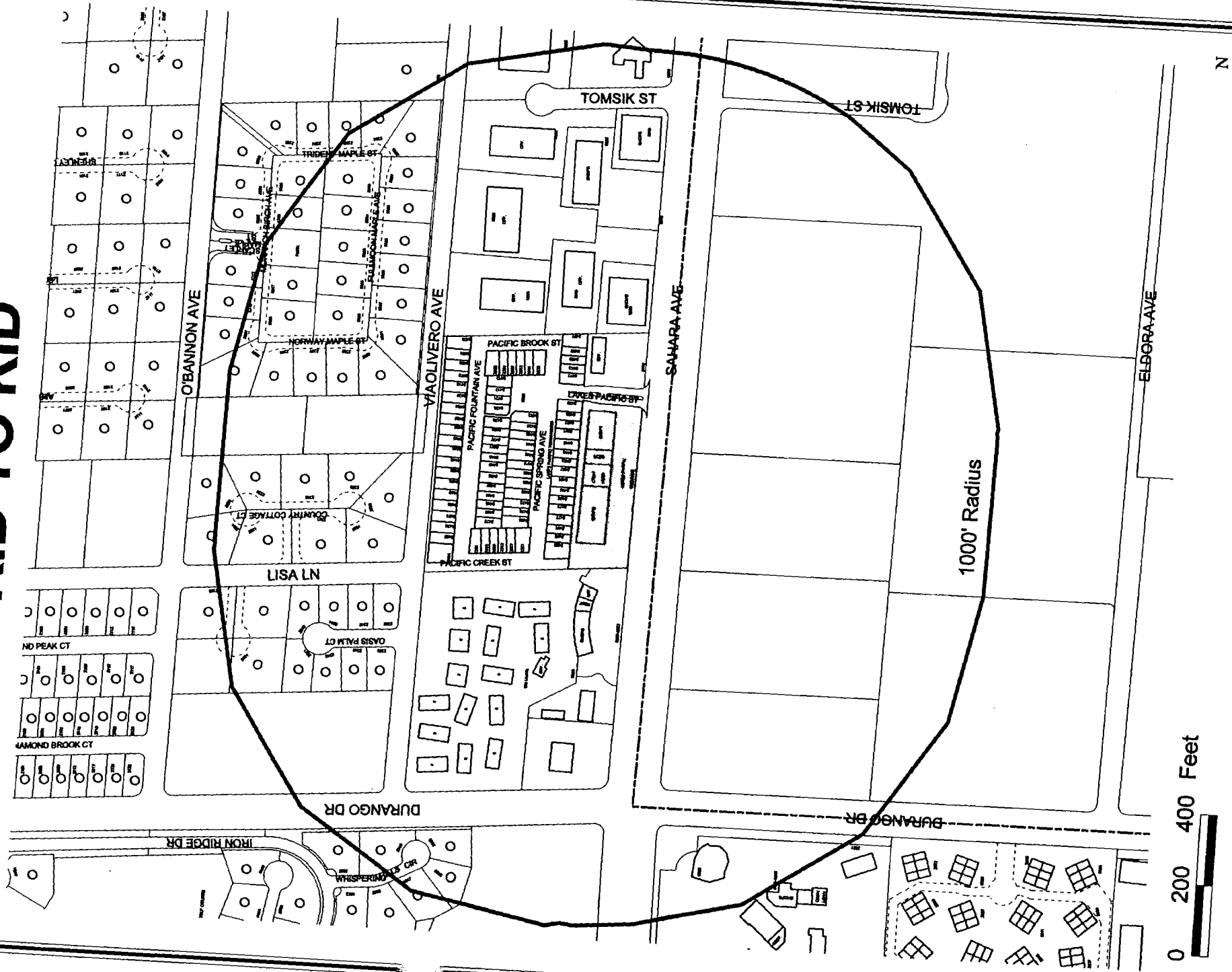
My wife and I have just relocated to Las Vegas from California in order to purchase this business and run it. We both are currently unemployed as we quit our jobs in California for this relocation. It would help us financially if we could jump right in and move forward with the purchase of this business.

We would like to complete the transaction and close escrow on September 15, 2004. Any consideration you may give us would be greatly appreciated.

Sincerely,

  
  
Doug and Fumika MacPherson

# KID TO KID



**AGENDA SUMMARY PAGE**  
**CITY COUNCIL MEETING OF: SEPTEMBER 15, 2004**

**DEPARTMENT: FINANCE AND BUSINESS SERVICES**

**DIRECTOR: MARK R. VINCENT**

☐

**CONSENT**

☒

**DISCUSSION**

**SUBJECT:**

Discussion and possible action regarding a Six Month Review of a Tavern License and a Restricted Gaming License for 15 slots, Claudio Garcia, dba Sin Fronteras Bar & Nightclub, 1203 East Charleston Boulevard, Suites I and J, Claudio H. Garcia, 100% - Ward 5 (Weekly)

**Fiscal Impact**

☒

**No Impact**

**Amount:**

☐

**Budget Funds Available**

**Dept./Division:**

☐

**Augmentation Required**

**Funding Source:**

**PURPOSE/BACKGROUND:**

Discussion and possible action regarding a Six Month Review of a Tavern License and a Restricted Gaming License for 15 slots

**RECOMMENDATION:**

Recommendation to be provided following discussion of this item at the City Council meeting

**BACKUP DOCUMENTATION:**

Agenda Memo

**MOTION:**

**WEEKLY – APPROVED** subject to a six-month 3/16/2005) review – **UNANIMOUS** with **WOLFSON** not voting

**MINUTES:**

The applicant was present.

JIM DiFIORE, Manager, Business Services, commented that when the applicant first applied for change in ownership, he indicated to his staff that he would be moving to Las Vegas to be able to operate his business, but he has not moved to Las Vegas. One of his relatives is the key employee. However, on numerous occasions officers of the Las Vegas Metropolitan Police Department have visited the business and found several violations, including employees without work cards, or alcohol awareness cards, and there was no key employee on site. MR. DiFIORE was concerned that MR. GARCIA is not taking responsibility for his actions or those of his employees. MR. GARCIA indicated that he is waiting to get a home here.

Upon recalling this matter after trailing it so that COUNCILMAN WEEKLY'S liaison, KELLY BENAVIDEZ, could speak with MR. GARCIA, MS. BENAVIDEZ indicated that MR. GARCIA informed her that he was in the process of purchasing a home in Las Vegas and should be residing in Las Vegas by the end of September.

CITY COUNCIL MEETING OF SEPTEMBER 15, 2004

Finance and Business Services

Item 85 – Discussion and possible action regarding a Six Month Review of a Tavern License and a Restricted Gaming License for 15 slots, Claudio Garcia, dba Sin Fronteras Bar & Nightclub, 1203 East Charleston Boulevard, Suites I and J, Claudio H. Garcia, 100% - Ward 5 (Weekly)

**MINUTES – Continued:**

MR. DiFIORE recommended another six-month review on the temporary license to see how the operations run until then.

MAYOR GOODMAN confirmed with MR. GARCIA, through MS. BENAVIDEZ, that he understands the conditions.

(11:01 – 11:05/1:55 – 1:56)

2-860/4-719

**AGENDA MEMO**

**CITY COUNCIL MEETING DATE: SEPTEMBER 15, 2004**

**DEPARTMENT: FINANCE AND BUSINESS SERVICES**

**ITEM DESCRIPTION: Discussion and possible action regarding a Six Month Review of a Tavern License and a Restricted Gaming License for 15 slots, Claudio Garcia, dba Sin Fronteras Bar & Nightclub, 1203 East Charleston Boulevard, Suites I and J**

---

On March 17, 2004 the City Council granted approval of this license subject to a six-month review.

The following enforcement activities have taken place in regards to this business:

1. On April 30, 2004 this Department issued an Enforcement Notice to Leticia Castellon for no alcohol awareness card and no work card.
2. On April 30, 2004 this Department issued an Enforcement Notice to Leticia Figueroa for no alcohol awareness care and no work card.
3. On April 30, 2004 this Department issued an Enforcement Notice to Jorge Gaitan for no alcohol awareness card.
4. On April 30, 2004 this Department issued an Enforcement Notice to Pedro Figueroa for no alcohol awareness card.
5. On April 30, 2004 Officers of the Special Investigations Section, Las Vegas Metropolitan Police Department, issued citations and Notices of Non-Compliance to Maria Leticia Figueroa for failing to maintain a current employee list, employing Jorge Gaitan, Leticia Castellon, and Maria Figueroa without alcohol awareness cards and Leticia Castellon and Maria Figueroa without work cards.
6. On June 23, 2004 this Department conducted an annual tavern inspection and the location was found to be in compliance with LVMC 6.50.

A report from the Special Investigations Section, Las Vegas Metropolitan Police Department, will be furnished to the City Council prior to the meeting.

**AGENDA SUMMARY PAGE**  
**CITY COUNCIL MEETING OF: SEPTEMBER 15, 2004**

**DEPARTMENT: FINANCE AND BUSINESS SERVICES**

**DIRECTOR: MARK R. VINCENT**

☐

**CONSENT**

☒

**DISCUSSION**

**SUBJECT:**

**ABEYANCE ITEM** - Discussion and possible action regarding a Six Month Review of a Tavern License, D. Westwood, Inc., dba Treasures, 2801 Westwood Drive, Ali Davari, Dir, Pres, Treas, 50%, Hassan Davari, Dir, Secy, 50% - Ward 1 (Moncrief)

**Fiscal Impact**

☐

**No Impact**

**Amount:**

☐

**Budget Funds Available**

**Dept./Division:**

☐

**Augmentation Required**

**Funding Source:**

**PURPOSE/BACKGROUND:**

Discussion and possible action regarding a Six Month Review of a Tavern License

**RECOMMENDATION:**

Recommendation to be provided following discussion of this item at the City Council meeting

**BACKUP DOCUMENTATION:**

1. Agenda Memo
2. Verbatim Transcripts from September 1, 2004, June 16, 2004 and March 17, 2004
3. Submitted at meeting: Written Opinions for Mayor Goodman and Councilman Mack from City Attorney's Office
4. Submitted at meeting: Treasures Notebook from City Attorney Jerbic with information filed under seven tabs
5. Submitted at meeting: two certified Judgments for Jessica Lynn Crockett from City Attorney Jerbic
6. Submitted at meeting: copy of Penal Code, Sec. 35.02 with attached Harris County, Texas, Plaintiff's Notice of Seizure and Intended Forfeiture from City Attorney Jerbic
7. Submitted at meeting: Copies of two Las Vegas Metropolitan Police Department Confidential Reports from City Attorney Jerbic
8. Submitted at meeting: 8 Exhibits in Support of D. Westwood, Inc., dba Treasures, from Attorney Mark Fiorentino
9. Submitted at meeting: violations spreadsheet for various clubs

**MOTION:**

**MONCRIEF – DENIED – UNANIMOUS** with GOODMAN abstaining because his son, ROSS GOODMAN, was retained to represent certain employees of Treasures and MACK abstaining because Treasures is a client of Mack Consulting

**MINUTES:**

NOTE: A Verbatim Transcript is made a part of the Final Minutes.



CITY COUNCIL MEETING OF SEPTEMBER 15, 2004

Finance and Business Services

Item 86 - Discussion and possible action regarding a Six Month Review of a Tavern License, D. Westwood, Inc., dba Treasures, 2801 Westwood Drive, Ali Davari, Dir, Pres, Treas, 50%, Hassan Davari, Dir, Secy, 50% - Ward 1 (Moncrief)

**MINUTES - Continued:**

**APPEARANCES:**

OSCAR GOODMAN, Mayor

GARY REESE, Mayor Pro Tem

MICHAEL MACK, Councilman

BRAD JERBIC, City Attorney

LARRY BROWN, Councilman

STEVE WOLFSON, Councilman

JOHN REDLEIN, Assistant City Attorney

JIM DiFIORE, Business Services Division

MARK FIORENTINO, Attorney, representing D. Westwood, Inc.

BARBARA JO RONEMUS, City Clerk

LAWRENCE WEEKLY, Councilman

TOM DILLARD

GARY SCHOFIELD, Las Vegas Metropolitan Police Department

ROB WILLS, Lieutenant, Las Vegas Metropolitan Police Department

JANET MONCRIEF, Councilwoman

(11:05 – 1:55)

2-977/3-1/4-1

**AGENDA MEMO**

**CITY COUNCIL MEETING DATE: SEPTEMBER 15, 2004**

**DEPARTMENT: FINANCE AND BUSINESS SERVICES**

**ITEM DESCRIPTION: ABEYANCE ITEM - Discussion and possible action regarding a Six-Month Review of a Tavern License, D. Westwood, Inc., dba Treasures, 2801 Westwood Drive**

---

On February 21, 2001 the City Council approved this license subject to a six-month review after the date of opening (September 15, 2003) due to areas of concern in the police report.

A report from the Special Investigations Section, Las Vegas Metropolitan Police Department will be furnished to the City Council prior to the meeting.

**CITY COUNCIL MEETING OF**  
**September 1, 2004**

**VERBATIM TRANSCRIPT — ITEM 62**

1 **Discussion and possible action regarding a Six Month Review of a Tavern License, D.**  
2 **Westwood, Inc., dba Treasures, 2801 Westwood Drive, Ali Davari, Dir, Pres, Treas, 50%**  
3 **Hassan Davari, Dir, Secy, 50%**

4

5 **Appearance List:**

6 OSCAR GOODMAN, Mayor

7 BRAD JERBIC, City Attorney

8 GARY REESE, Mayor Pro Tem

9 MICHAEL MACK, Councilman

10 MARK FIORENTINO, Attorney, Kummer Kaempfer Bonner & Renshaw, 3800 Howard  
11 Hughes Parkway

12 JANET MONCRIEF, Councilwoman

13 LARRY BROWN, Councilman

14 TOM McGOWAN, Las Vegas resident

15 RAD SNELDING, City Auditor

16

17 (9:43 – 10:19)

18 **1-1233**

19

20 17 minutes

21

22 Typed by: Angela Crolli

23 Proofed by: Gabriela S. Portillo-Brenner

**CITY COUNCIL MEETING OF**  
**September 1, 2004**

**VERBATIM TRANSCRIPT — ITEM 62**

24 **MAYOR GOODMAN**

25 All right. And there's been a request to call Item 62 forward. Item 62 is a discussion and  
26 possible action regarding a six-month review of a Tavern License, D. Westwood, Inc., doing  
27 business as Treasures, 2801 Westwood Drive, Ali Davari, Director, President. Hassan Davari,  
28 Director, Secretary. This is in Ward 1. I'm going to abstain at this time. My son, Ross and,  
29 represents some of the employees of the club, Treasures. I'm looking forward to the presentation  
30 by Ms. Jennings of the Ethics Committee, which was scheduled for today, Mr. Jerbic, but she  
31 called you, I understand, and asked that that presentation be put off, until when?

32

33 **BRAD JERBIC**

34 October 6, Your Honor.

35

36 **MAYOR GOODMAN**

37 October 6<sup>th</sup>, to clarify the conditions of, about disclosure and abstentions. So, I look forward to  
38 October the 6<sup>th</sup>, but in the meantime, I'll turn this over to Mayor Pro Tem.

39

40 **MAYOR PRO TEM REESE**

41 Thank you, Your Honor.

42

43 **COUNCILMAN MACK**

44 Mayor Pro Tem?

45

46 **MAYOR PRO TEM REESE**

47 Yes.

48

49 **COUNCILMAN MACK**

50 A quick disclosure: The subject of the review is a client of my business, Treasures, Mack  
51 Consulting. Due to the conflict, I'll be abstaining from discussions or any action on it.

52

53

**CITY COUNCIL MEETING OF**  
**September 1, 2004**

**VERBATIM TRANSCRIPT — ITEM 62**

54   **MAYOR PRO TEM REESE**

55   Thank you very much. Is the representative from Treasures here, please? For the record, while  
56   the attorney is on his way down here, if we hold this in abeyance, what is the ramifications on  
57   holding this until the 15<sup>th</sup>? There – has been, for your information, there has been a request by  
58   staff to hold this in abeyance until our February the 15<sup>th</sup>, I'm sorry, September the 15<sup>th</sup> meeting,  
59   and I think there's a contact with Mr. Fiorentino; is that true, to hold this in abeyance?

60

61   **MARK FIORENTINO**

62   Yes, Mayor Pro Tem. –

63

64   **MAYOR PRO TEM REESE**

65   Okay. There was some – concerns brought forward with this abeyance, being, or this being held  
66   in abeyance. If you could, please explain to us, Mr. Jerbic.

67

68   **BRAD JERBIC**

69   Just briefly, Mr. Mayor Pro Tem and members of the Council, the request to hold this in  
70   abeyance should not affect business at Treasures at this point in time. They have the legal ability  
71   to get two temporary licenses not to exceed six months. The first temporary license had expired.  
72   A second temporary license was issued. It expires, I believe, on September 15th. So, the next  
73   Council meeting will be the absolute last opportunity for this Council to vote up or down on the  
74   license. If the Council does not approve it at the next meeting, it would expire at midnight that  
75   night. But between now and then, nothing should change business as usual at Treasures.

76

77   **MAYOR PRO TEM REESE**

78   Thank you. Mr. Fiorentino, do you have anything you'd like to add?

79

80   **MARK FIORENTINO**

81   No, Sir.

82

83

**CITY COUNCIL MEETING OF**  
**September 1, 2004**

**VERBATIM TRANSCRIPT — ITEM 62**

84 **MAYOR PRO TEM REESE**

85 Thank you. Councilwoman, do you have anything you'd like to add to this (inaudible)?

86

87 **COUNCILWOMAN MONCRIEF**

88 No.

89

90 **MAYOR PRO TEM REESE**

91 Councilman Brown?

92

93 **COUNCILMAN BROWN**

94 Thank you, Mayor Pro Tem. Understanding the reason for abeyance, I'd – just like a little more  
95 details as far as, this certainly has been an ongoing situation with the liquor license. But,  
96 certainly, one is related to our original condition of approval, condition and/or intent, as far as  
97 any convictions. The second one, either by condition or intent, dealt with the industry standard  
98 and the behavior to be allowed or, that has occurred at – the establishment. And this abeyance  
99 seems to be touching on a third issue, and I think we're familiar, at least from the last public  
100 hearing on it, what, what's involved.

101 My question, Mr. Jerbic, is one that, either through miscommunication or bad timing or lack of  
102 resources or too much information, in the next two weeks, do you feel comfortable that we are  
103 going to be able to one hundred percent do the research or get the resources needed to raise this  
104 third issue to the level that the other two apparently are at today?

105

106 **BRAD JERBIC**

107 The – best way I can answer it, Councilman, is that we will have a report. The auditor will have  
108 a report by next week. We are completely aware of the fact that this applicant deserves to have  
109 an up or down vote of this Council on September 15<sup>th</sup>, and, in fact, must have an up or down vote  
110 on September 15<sup>th</sup>. So, wherever we're at with the audit at that point in time, it will be wrapped  
111 up and concluded and presented to Council and to Mr. Fiorentino so that he and his client can  
112 review it. I've, I, we have a meeting right after this vote this morning with Mr. Fiorentino, and

**CITY COUNCIL MEETING OF**  
**September 1, 2004**

**VERBATIM TRANSCRIPT — ITEM 62**

113 the auditor, to go over the details of what will happen in the next week to make sure that that is  
114 accomplished.

115

116 **MAYOR PRO TEM REESE**

117 Councilman Brown?

118

119 **COUNCILMAN BROWN**

120 Mr. Fiorentino, you feel comfortable that the two weeks you're gonna be able to have your client  
'21 provide the information that's been requested, and likewise, I guess, Mr. Jerbic, and or/our audit  
,22 function, which is a direct report to the Council, do they feel comfortable that they're going to  
123 have the time needed to accomplish this? And, simply stated, what – I would be very  
124 disappointed in two weeks from today is we get a report that is incomplete or there are issues put  
125 on the record, as far as documents being unavailable or staff needing more resources to  
126 accomplish what the intent was, 'cause I don't think that's fair. We're creating, essentially, a  
127 third issue, critically important to the review of the character of the ownership. But it's also  
128 creating a whole new level in potential innuendos, and I – really need to hear there's a comfort  
129 level from Mr. Fiorentino and Mr. Jerbic and Mr. Snelding that something will be of substance  
130 two weeks from today, or, again, I'd be disappointed, because today was supposed to be the  
31 hearing and a lot of time and effort has gone into today as the day.

132

133 **BRAD JERBIC**

134 I know that I have been meeting with the auditor, and he's been keeping me updated as to his  
135 findings. I believe, based on what I have heard, that the auditor will have something of  
136 substance to say, even if we had to go at this moment. But at this moment, again, he hasn't  
137 completed everything he needs to look at, and, of course, auditors have audit principles and  
138 standards that they have to go by. And –, so, he is very hopeful that he can finish all that by the  
139 end of next week. But, either way, you will have a report of substance before you at the next  
140 Council meeting.

141

142

**CITY COUNCIL MEETING OF**  
**September 1, 2004**

**VERBATIM TRANSCRIPT — ITEM 62**

143     **COUNCILMAN BROWN**

144     And, I would also, Mayor Pro Tem, with your indulgence, I just, from a personal perspective, I –  
145     certainly don't speak on behalf of the Council on this issue, but I would encourage, Mr. Jerbic,  
146     your office, and Mr. DiFiore, your office, Mr. Fiorentino, you and your client, Metro, to go back  
147     and look at the transcripts, especially if we have to go back to 2001. Everybody is familiar with  
148     them. But there seems to be some disagreement with conditions and intent and what our  
149     objective is with this hearing. And I – get, become frustrated when I start reading, the media is  
150     starting to play this hearing out. And some – comments that I felt were inaccurate, by a number  
151     of sources, is creating now a cloud of, again, innuendos or suspicion or all these subplots.

152     And the bottom line is, if everybody feel, feels comfortable that on the 15<sup>th</sup> we are going to  
153     review this liquor license and specifically focus in on the City's ordinance and the criteria and  
154     the character and all that, that, I would really hope that everybody comes prepared to focus on  
155     that. It's not just about condition A or B or potentially C. It's what this Council, and what the  
156     City is going to do approaching the industry as a whole. And that seems to be lost in this little  
157     trial that's been going on in the media and, certainly, over the last six month. There's a bigger  
158     issue here and some of the specific things have been raised, and let's not get focused on this  
159     small item when there's a very large item out there that I – want clearly addressed, at least from  
160     my perspective, clearly addressed and spoken to on the 15<sup>th</sup>.

61

162     **BRAD JERBIC**

163     I understand, Councilman. If I can just respond this way: We have always focused the staff  
164     recommendation on the core of every staff recommendation when it comes to privileged license,  
165     and that also the sole question: Is the applicant suitable? That – will be the core of the  
166     presentation, recognizing, however, that there have been, a lot interest is to where this club  
167     stands with respect to other clubs and the like. I provided Mr. Fiorentino with some new  
168     numbers this morning that Metro had assembled. We are going to update numbers that we  
169     provided him before. So, I think, we'll also be able to give you the information as to where the  
170     industry as a whole stands with respect to our codes and enforcement of those codes.

171

172



**CITY COUNCIL MEETING OF**  
**September 1, 2004**

**VERBATIM TRANSCRIPT — ITEM 62**

173 **COUNCILMAN BROWN**

174 And understanding that that suitability, Mr. Jerbic, I appreciate that because that suitability goes  
175 back to the two thousand and one hearing and the testimony that Metro provided and some of the  
176 investigative work provided. And I think, independently, both one and two of the issues that  
177 have been talked about over the last six months, independently, they could speak to the  
178 suitability. Together, there's no question. It's, intuitively, I get very uncomfortable when all  
179 these other issues start to arise at the eleventh hour and the innuendos, the Media starts playing  
180 out subplots, then we start losing the focus. And that's, again, I can't state it more succinctly,  
181 that's my concern for the 15<sup>th</sup>, that we stay focused on the suitability. And, if people are going to  
182 get away from that and start bringing the other issues, then they better be prepared to speak one  
183 hundred percent fact and, from the audit standpoint, from the legal standpoint, from the business  
184 licensing, from Metro and certainly from the client's perceptive, because as you say, that's the  
185 deadline. We, we've had a gun put to our heads and – now there is no time. On the 15<sup>th</sup>, one  
186 way or another by ordinance, we have to make a decision.

187

188 **BRAD JERBIC**

189 That's correct.

190

91 **COUNCILMAN BROWN**

192 I appreciate that. Thank you, Mayor Pro Tem.

193

194 **MAYOR PRO TEM REESE**

195 Mr. Fiorentino?

196

197 **BRAD JERBIC**

198 Thank you, Councilman.

199

200 **MARK FIORENTINO**

201 Yes, Mayor Pro Tem, with your indulgence, I'd like to answer Councilman Brown's question,  
202 directed towards me. Members of the Council, I'm Mark Fiorentino, representing the applicant.

**CITY COUNCIL MEETING OF**  
**September 1, 2004**

**VERBATIM TRANSCRIPT — ITEM 62**

203 Councilman Brown, your staff gave us a very detailed written document asking for a series of  
204 things they wanted to do this audit. To the best of my knowledge, and I have no information to  
205 the contrary, we have provided everything on that list to them to date. Mr. Jerbic has committed  
206 to us that, by the end of day, Wednesday of next week, the report will be done in a format that  
207 we can review, and then work with them to either resolve whatever issues are raised in the report  
208 or narrow them for your consideration.

209 So, unless there is new requests between now and next Wednesday, I'm – confident they have  
210 everything they've asked for.

211

212 **MAYOR PRO TEM REESE**

213 Thank you. Councilman Wolfson?

214

215 **COUNCILMAN WOLFSON**

216 Thank you, Mayor Pro Tem. I just, on a – personal note, as everybody knows, I'm relatively  
217 new to the Council, and, so I want to be prepared for the 15<sup>th</sup>, as – we all do. I would just simply  
218 request that if there are materials that are going to be referred to on the 15<sup>th</sup>, dating back to a two  
219 thousand and one timeframe, I'd request that you provide those to me as soon as possible. Mr.  
220 Fiorentino, you've already provided me with a number of documents, and I appreciate that. But  
221 Mr. Jerbic and Mr. Fiorentino, or anybody else, Mr. DiFiore, if there are documents, transcripts,  
222 or anything, please get them to me as soon as possible, because I do want to be thorough on this  
223 matter. I want to be as familiar as I can. So, please get them to me as soon as possible.

224

225 **MARK FIORENTINO**

226 Understood.

227

228 **MAYOR PRO TEM REESE**

229 This is not a public hearing item –

230

231 **TOM McGOWAN**

232 I was going –

**CITY COUNCIL MEETING OF**  
**September 1, 2004**

**VERBATIM TRANSCRIPT — ITEM 62**

233

234 **MAYOR PRO TEM REESE**

235 – but I'll give you –

236

237 **TOM McGOWAN**

238 – to inquire, if you would allow to be public comment before you act.

239

240 **MAYOR PRO TEM REESE**

241 That'd be fine. One minute.

242

243 **TOM McGOWAN**

244 I'll – take probably thirty seconds. Thank you very much, Mayor Pro Tem. Tom McGowan,

245 local resident of the City of Las Vegas for about 50 years. The applicant, in my belief, deserves

246 every constitutional and statutory right and protection, as does everyone else in this City and this

247 country. The bottom line, however, is quite succinct. The applicant does not set the community

248 standard for decency in the City of Las Vegas, neither does eloquent and learned staff. You do.

249 You are the elected and appointed officials of the people of Las Vegas, Nevada. You represent

250 the people. It is bottom line, your responsibility, profound responsibility to set the community

51 standard of decency, and, in so doing, deserve your rightful place in history. Thank you.

252

253 **MAYOR PRO TEM REESE**

254 Thank you. Mr. Snelding, do you have any, anything you'd like to say?

255

256 **RAD SNELDING**

257 Yes, thank you. Rad Snelding, City Auditor. Members of the Council, I just wanted to let you

258 know that when we made a record's request of the records we're reviewing, we did that back in,

259 and asked for those records to be available on August the second. It turned out that they weren't

260 available at that time, and we really didn't start our work on them until August the 20<sup>th</sup>. So,

261 we've had, not a whole lot of time on 'em. And as the attorney that I've been working with,

262 which is not who was up here just speaking, Mr. Fiorentino (sic), it was another attorney, made

**CITY COUNCIL MEETING OF**  
**September 1, 2004**

**VERBATIM TRANSCRIPT — ITEM 62**

263 aware to him that the records are not complete. But I was able to take the records that we did  
264 receive from them and, I believe, satisfy myself to, you know, to a reasonable degree, that I can  
265 answer all the questions that were asked.

266 The second thing is, that is all dependent upon, and as I mentioned to the attorney I've working  
267 with, that's dependent upon getting some answers on some specific issues. So, there may be  
268 some questions that may need to be asked and we're, and, our intent is, or my intent is to ask  
269 those either today or tomorrow. But, I don't think there are questions that are going to require a  
270 lot of research. I think they're pretty self-evident questions dealing with how the business is  
271 handled and how certain bank accounts are used, and possibly what some particular checks or  
272 transactions are for. I think that's, those are things that they should have knowledge of. I don't  
273 expect that that would cause any delay.

274 And, I've been speaking to Mr. Jerbic, and I think the schedule that we talked about, I – don't  
275 think there's any problem with having a – report, from the part that I'm working on, done and  
276 available for review by the end of the week. So, I don't anticipate there's gonna be any delay,  
277 but I just wanted you to know that – there still is some discussion, and we've had that on-going  
278 discussion with the – attorney that I've been working with.

279

280 **MAYOR PRO TEM REESE**

81 Thank you. Mr. Jerbic, is there any problem getting, granting Mr. Wolfson, or Councilman  
282 Wolfson's request to have – some of these documents so he can be briefed on 'em?

283

284 **BRAD JERBIC**

285 Not at all. In fact, we have all the transcripts we photocopied, and we're delivering you a  
286 package today. So –

287

288 **MAYOR PRO TEM REESE**

289 Are there any, any of the other Councilmembers like to have some of these documents also?

290

291 **COUNCILWOMAN MONCRIEF**

292 Yes, please.

**CITY COUNCIL MEETING OF**  
**September 1, 2004**

**VERBATIM TRANSCRIPT — ITEM 62**

293 **BRAD JERBIC**

294 Your Honor, I think, out of courtesy to the Council, what we'll do is we'll produce notebooks for  
295 everybody that will have all the transcripts in it and – all the requests and any materials that were  
296 submitted to the Clerk, so it'll all be in one package, and we'll, obviously, come by and brief  
297 between now and the next Council meeting.

298

299 **MAYOR PRO TEM REESE**

300 Thank you. Are there any other questions or comments? Councilwoman, do you wanna make a  
301 motion or you want me to?

302

303 **COUNCILWOMAN MONCRIEF**

304 **I'll make a motion for abeyance for two weeks, please.**

305

306 **MAYOR PRO TEM**

307 Thank you. You've heard the motion. Please cast your vote. Please post. Motion carries.  
308 **(Motion carried unanimously with GOODMAN and MACK abstaining)** Thank you,  
309 Council members.

310

11 **BRAD JERBIC**

312 Thank you.

313

314 **(END OF DISCUSSION)**

315 /ac; gpb

**CITY COUNCIL MEETING OF**  
**June 16, 2004**

**VERBATIM TRANSCRIPT – ITEM 78**

**Discussion and possible action regarding a Six-Month Review of a Tavern License, D.**  
**Westwook, Inc., dba Treasures, 2801 Westwood Drive, Ali Davari, Dir, Pres, Treas, 50%,**  
**Hassan Davari, Dir, Secy, 50% - Ward 1 Moncrief**

**Appearance List:**

OSCAR GOODMAN, Mayor  
MICHAEL MACK, Councilman  
GARY REESE, Mayor Pro Tem  
BRAD JERBIC, City Attorney  
JANET MONCRIEF, Councilwoman  
JIM DiFIORE, Manager of Business Services  
MARK FIORENTINO, Attorney  
PAUL NUGENT, Attorney  
LAWRENCE WEEKLY, Councilman  
LARRY BROWN, Councilman  
JOHN LORETTO, Detective, LVMPD  
STACY RODD, Detective, LVMPD  
TOM GREEN, Chief Deputy City Attorney  
BILL HENRY, Senior Litigation Counsel

(10:18 – 12:07)

**1-2760**

2 hours 43 minutes

Typed by: Ydoleena Yturralde

Proofed by: gpb/ac

Page 1 of 82

**CITY COUNCIL MEETING OF**  
**June 16, 2004**

**VERBATIM TRANSCRIPT – ITEM 78**

31    **MAYOR GOODMAN**

32    All right. Item 78 is discussion and possible action regarding a six-month review of a Tavern's  
33    License, doing, Treasures at 2801 Westwood Drive. This is in Ward 1. I have to abstain, Mayor  
34    Pro Tem, my son Ross is one of the attorneys for the – Treasures and for Mr. Davari, so I won't  
35    be participating in this.

36

37    **MAYOR PRO TEM REESE**

38    Thank you.

39

40    **COUNCILMAN MACK**

41    Mayor Pro Tem, I have asked for a private opinion from the City Attorney's Office in form, in  
42    writing. I don't know, Mayor, if you asked for one as well, in, for this abstention. But I'm I'll  
43    be abstaining from this item. I – own Mack Consulting, which is an advertising and PR  
44    company, which does work for Treasures. I believe it's a conflict of interest, and I will not be  
45    voting or participating in this vote.

46

47    **MAYOR GOODMAN**

48    And the record should reflect, as the Councilman points out, that I have, based on a request from,  
49    on abstentions for this meeting, I have been advised by the City Attorney's Office that it would  
50    be appropriate for me to abstain.

51

52    **BRAD JERBIC**

53    Okay. Your Honor and Councilman Mack, if you have written opinions, it's appropriate at this  
54    time to file them with the Clerk. Under state law, that is the requirement to reduce the size of the  
55    quorum.

56

57    **MAYOR GOODMAN**

58    All right. I appreciate that. And, it should also reflect that on Items 119 and 120, later on today,  
59    which pertain to billboards, my other son, Eric, represents some billboard companies. And,  
60    they're discussions by persons that I'm in association with regarding billboards, so, I've been  
Page 2 of 82

**CITY COUNCIL MEETING OF**  
**June 16, 2004**

**VERBATIM TRANSCRIPT – ITEM 78**

61 advised that I should abstain from that as well. But I will provide this to Ms. Ronemus at this  
62 time. Thank you.

63

64 **COUNCILMAN MACK**

65 Your Honor.

66

67 **MAYOR GOODMAN**

68 Yes.

69

70 **COUNCILMAN MACK**

71 Mayor Pro Tem, also on Item 116, it involves a special use permit for a proposed financial  
72 institution on Rainbow Boulevard. I've been, I also got a written opinion. This is relate closely  
73 related to my brother Steven Mack, and this approval could have an impact on his special use  
74 permit, so I'll be abstaining from that item as well.

75

76 **BRAD JERBIC**

77 Thank you. Pursuant to state law, the size of the quorum is –

78

79 **MAYOR PRO TEM REESE**

80 With the – situation as it is, we are one member short, so we're gonna take a short recess for just  
81 a few minutes until Councilman Weekly gets back. So, we are in recess.

82

83 **RECESS: 10:20 A.M. TO 10:26 A.M.**

84

85 **MAYOR PRO TEM REESE**

86 Let me read into record one more time. This is Item 78. Abeyance item. Discussion and  
87 possible action regarding a six-month review of a Tavern License, D. Westwood, Inc., doing  
88 business Treasures, 2801 Westwood Drive.

89 There has been quite a few comments about this application even before they got their temporary  
90 license. At this time, I would like our City Attorney, Brad Jerbic, to explain to the audience and  
Page 3 of 82



**CITY COUNCIL MEETING OF**  
**June 16, 2004**

**VERBATIM TRANSCRIPT – ITEM 78**

91 to the Council for the – applicant about the temporary license and subsequential, maybe,  
92 abeyances that this item may have. Mr. Jerbic.

93

94 **BRAD JERBIC**

95 Thank you, Mr. Mayor Pro Tem, members of Council. The, as the Council is aware, Treasures  
96 opened on September 16<sup>th</sup>, 2003, with a temporary privileged liquor license. That temporary  
97 license, under our City code, is a six-month maximum license, and, under our City code, only  
98 one extension of that license is allowed, not to exceed six months. So the – under our – scheme  
99 you can have a temporary license that doesn't exceed a year, if an extension is given by the  
100 Council.

101 The first six-month's license expired at the time of the March hearing in this matter, when we  
102 had the hearing in March of 2004. At that time, the item was held in abeyance until today's date,  
103 and it may be held in abeyance one or more times, depending what action Council takes today. It  
104 wasn't staff's intention to see them operate without a license, nor do I think it was Council's  
105 intention. I think it was their intention to continue with a – temporary license for an additional  
106 period. However, those magic words were not spoken on the record. We have been treating  
107 them as if they have been acting under a temporary license, but, for clarification, we're gonna  
108 seek in your motion whatever motion, you make today, an inclusion of the fact that you intended  
109 that a temporary license be issued for a second time extending from the period where the first  
110 temporary license expired until September 15, 2004.

111

112 **MAYOR PRO TEM REESE**

113 Thank you, your, Mr. Jerbic. Councilwoman, did you have anything you want to say at this  
114 time?

115

116 **COUNCILWOMAN MONCRIEF**

117 I would like staff to give the report at this time.

118

**CITY COUNCIL MEETING OF**  
**June 16, 2004**

**VERBATIM TRANSCRIPT – ITEM 78**

118 **MAYOR PRO TEM REESE**

119 Okay. Again, if we are thinking about or if you have any idea that we may hold this in abeyance,  
120 let's consider that and let's give both sides the opportunity. I think the one thing that needs to be  
121 brought out is the nature of the – business, number one. And, number two I think it's very  
122 important that everybody understands here today why we are here today, and that only. But I  
123 think that there are other issues that need to be at least put on the table at this time, that being the  
124 issue down in Houston. I think that is a grave issue. I think this does overshadow the license  
125 that we have here today. I don't think that we are going to have any, the charges that have been  
126 filed, we can go through the comparisons, so on and so forth, from the other clubs, if that's our  
127 desire here today. I'm giving the Council members that, I guess, opportunity, to either have a –  
128 hearing today and/or to see if we wanted to hold this in abeyance and have a – bigger hearing.  
129 So, Councilwoman, I will certainly defer to you and your choice. If you wanna have both groups  
130 go, you know, through and – give their presentations. And – I just hate to see'em get up here  
131 and – go on for an hour, hour and a half, and then have it – held in abeyance. So, I guess I'm  
132 asking you what you would like to see done here today. We'll – certainly follow that.

133

134 **COUNCILWOMAN MONCRIEF**

135 I – thank you, Your Honor. I feel the staff, plus the owners of this establishment, feels that it's  
36 important enough that the public should hear this today in the full extent, and I think the public  
137 has the right to understand what's going on up to this date, and suitability is suitability when it  
138 comes to a special use permit like this. I think this is very important. I think it's very severe.  
139 And I think out of everything we're doing today in Council, I think this is the most important  
140 thing that we listen to today.

141

142 **MAYOR PRO TEM REESE**

143 Thank you. Mr. DiFiore.

144

145 **JIM DiFIORE**

146 Okay. I'm gonna be very brief and be able to answer any questions you may have, but,  
147 essentially, a recap of this, and you have before you, in your backup, a copy of the original report  
Page 5 of 82

**CITY COUNCIL MEETING OF**  
**June 16, 2004**

**VERBATIM TRANSCRIPT – ITEM 78**

148 and a copy of the report that was prepared for the May, March 17<sup>th</sup>, 2004, City Council Meeting.  
149 At that meeting, the Council had some concerns with how this license and how this business  
150 operation stood with the rest of the – clubs that were licensed in the City. Additionally, we –  
151 made a report that there were four charges for solicitation of prostitutions that were outstanding  
152 at that time involving three dancers. Currently, those charges are still outstanding. I believe  
153 there was a trial yesterday, and I believe there is a trial scheduled maybe for next week and the  
154 first week or the first part of July.

155 I know that our concern here is that those not, have not been adjudicated, and, thus, we don't  
156 have the results of those trials to be brought forward at this point in time. With that, I did  
157 prepare for each of the Council members, that were eligible to hear this today, a statistical  
158 comparison of the Erotic Dance Code violations for 2003, 2004, as well as the solicitation of  
159 prostitution charges for 2003 for all of the clubs that are licensed here in the City of Las Vegas,  
160 which include the non-alcohol clubs as well as the alcohol clubs.

161 So you have that and you have, maybe have had an opportunity to look at that and I'm available  
162 for any questions at this time. I think I'm gonna defer to Mr. Jerbic to talk about – the Houston  
163 charges at this time since he has more familiarity with that then I do at this point.

164

165 **MAYOR PRO TEM REESE**

166 Well, I think it's important at this time that people, maybe for the first time hearing this,  
167 understand what we talk about as far as convictions. And I'm not one to stand up here or sit up  
168 here and try to beat a dead horse. I think that there has been comparisons made. The type of  
169 business that we are referencing here today, I know there are other establishments like this in the  
170 City of Las Vegas that are under our auspices. I think that we have to make sure that we look at  
171 each club the same. I know that the difference between this club and the other clubs that are in  
172 the City of Las Vegas, there was a promise made. That this club is going to come in and,  
173 because of the reports that we had from the businesses in out of state, that promises was made.  
174 Whether it was done willfully or whether their – arm was held behind their back, whether they  
175 would got the license without the promise, it's not for me to say today. I do know that they got a  
176 temporary license, and there was a promise made.

**CITY COUNCIL MEETING OF**  
**June 16, 2004**

**VERBATIM TRANSCRIPT – ITEM 78**

177 And, I – think that that a promise, to me, is kind of like sticking a noodle in a glass of milk. You  
178 know, I think at the time the pressure was there, and so the promise was made. I – think that  
179 when I look at this application today, I kind of forget that promise. And I would hope that our  
180 staff members and our City Attorney's Office kind of do the same thing. I think it's important  
181 that we hold everybody to the same standard.

182 I also, I – know that in some of my reports, some of my briefings that I have had that I know for  
183 a fact that some of the other clubs whenever Metro and/or our staff goes in there, they're treated  
184 with respect. And I know that this club that there has been reports that they don't receive the  
185 same consideration at this club. So that also makes a difference as far as I'm concerned.

186 And, so in looking at this application, I think that the – audience has to know and even the  
187 applicant has to know that these are things that are being considered by me, at least. I won't  
188 speak for my other Councilmembers, but I definitely think that there is a – same standard here  
189 that we need to make sure to address it to everybody. And – again, I would hope that these  
190 charges at this club are not treated any differently than the charges at other clubs, in this  
191 comparison.

192 Okay. So, with that said, are there any comments yet by the Councilmembers?

193

194 **COUNCILWOMAN MONCRIEF**

95 Yes. Your Honor, I have one comment. The one thing I don't agree with you, Councilman  
196 Reese, is that – we all forget a promise. I think we're on the record today, and we're actually  
197 serving almost as a jury, and I don't think anyone should forget a promise. That when we, not  
198 we, I wasn't on the Council at the time, but when that vote was made and that promise was  
199 made, then does that mean that everything we vote on we forget later and we don't assume that  
200 that was what we voted on? So, at that point, I don't agree with that.

201

202 **MAYOR PRO TEM REESE**

203 That's fine.

204

**CITY COUNCIL MEETING OF**  
**June 16, 2004**

**VERBATIM TRANSCRIPT – ITEM 78**

204 **COUNCILWOMAN MONCRIEF**

205 The big question that I do have is, Mr. Jerbic, the trial that was supposed to happen yesterday, I  
206 understand was delayed. Could you please explain that, on the record, for the public, why that  
207 was delayed. And my second question is, how will we prevent those from being delayed until  
208 that year cut off?

209

210 **BRAD JERBIC**

211 Right.

212

213 **COUNCILWOMAN MONCRIEF**

214 And when will – we be able to get these girls to trial and see what occurs at that point?

215

216 **BRAD JERBIC**

217 Right. Yesterday there was no delay in the trial. The trial did occur, as scheduled, and the  
218 witnesses were called and both sides argued. And, at the end of the argument, the judge had a  
219 legal question that he asked each side to file briefs on to – further argue the point. Those briefs  
220 and final argument are all due to be argued, I believe, on August 30<sup>th</sup> of this year. So, the delay,  
221 if you want to call it a delay, was – the Court requesting more information at the end of the trial.

222 There are two other trials that are coming up, I believe, at the end of June and early July. If,  
223 without any knowledge of any problems at this point in time, they should go as scheduled and, of  
224 course, the Court always is entitled to ask more questions. You never know if you're gonna have  
225 a witness problem. But, if people show up, they go as scheduled, those could well be  
226 adjudicated before the next, the, before the license expires in September.

227

228 **COUNCILWOMAN MONCRIEF**

229 One more question. If – none of those girls goes to trial and September 15<sup>th</sup> comes, what occurs  
230 at that point?

231

**CITY COUNCIL MEETING OF**  
**June 16, 2004**

**VERBATIM TRANSCRIPT – ITEM 78**

231 **BRAD JERBIC**

232 Council will have a decision to make. The temporary license will expire at that time, and,  
233 without Council voting on a permanent license at that point in time, the business would close,  
234 unless you grant a permanent license.

235

236 **COUNCILWOMAN MONCRIEF**

237 Thank you.

238

239 **BRAD JERBIC**

240 Or I should, excuse me. Let me restate. The liquor portion would be suspended, unless you  
241 rendered a permanent license.

242

243 **COUNCILWOMAN MONCRIEF**

244 Thank you.

245

246 **MAYOR PRO TEM REESE**

247 Any questions? So, then, Councilwoman, you wanna hear about the concerns in Houston at this  
248 time?

49

250 **COUNCILWOMAN MONCRIEF**

251 Please.

252

253 **MAYOR PRO TEM REESE**

254 (Inaudible) Jerbic.

255

256 **BRAD JERBIC**

257 Thank you. Mr. Mayor Pro Tem and members of Council, I'm filing with the Clerk a document  
258 that I will give you a brief detail as to what's in it. I received this copy yesterday morning from  
259 the Houston District Attorney's Office in Harris County. They are handling this matter. Let me  
260 emphasize at this point in time, before I say anything more, there are no charges, to my  
Page 9 of 82

**CITY COUNCIL MEETING OF**  
**June 16, 2004**

**VERBATIM TRANSCRIPT – ITEM 78**

261 knowledge, filed against the Davaris or any of their corporations. They have not been convicted  
262 of anything. At this point in time there's not even as much as a charging document.

263 What I was supplied with by the Harris County District Attorney's Office was the first copy is a  
264 photocopy of the Texas Penal Code, which defines money laundering, and that's relevant to  
265 what's contained in the affidavits attached hereto. The second page is a Plaintiff's Notice of  
266 Seizure and Intended Forfeiture that was executed, excuse me, it's stamped on June 1<sup>st</sup> of this  
267 year but was executed on May 26<sup>th</sup> of this year. And the next three documents are three search  
268 warrants for three separate banks that were executed by Special Agent Wayne Cheney, of the  
269 Department of Homeland Security with US Immigration and Customs Enforcement called the  
270 ICE team. So, if I talk about the ICE team, that's the Immigration Customs Enforcement team.  
271 They received information directly from Chase Manhattan Bank, or Chase Bank in Texas, that  
272 there was suspicious activity regarding accounts that were controlled by the Davaris. The, Mr.,  
273 both Davari brothers own corporations and those corporations, excuse me, I think it's D.  
274 Houston Inc., have accounts at several banks in the Houston area.

275 Let me just outline very briefly for you what the allegation is. Under federal law, and this  
276 applies in every state of the country, any time you move more than \$10,000 into an account in  
277 cash or withdraw more than \$10,000 in cash, you have to file a Currency Transaction Report that  
278 goes to the IRS where you produce identification, in the like. If you deliberately structure  
79 withdrawals or deposits to avoid filing a Currency Transaction Report, that is also a federal  
280 crime that applies, of course, in every state. If, under Texas law, you structure money, their  
281 argument is that if you're structuring, that is criminal activity, and, if it involves currency, it's  
282 money laundering, and that's what their argument is under their law. Again, these are just  
283 arguments. These aren't even contained at this point in time in an indictment or a criminal  
284 complaint.

285 The allegations are that at these various banks there were structured deposits over a period of  
286 time that began, it looks like, June of 2002, according to the agent's affidavit, and ended in  
287 February of 2004. Specifically, I'll just give you a couple of examples from the agent's  
288 affidavit. Between September 23<sup>rd</sup>, in 2003 and November 26, 2003, 17 checks were cashed on  
289 the D. Houston account at Chase Bank for exactly \$9,000. On the 5<sup>th</sup> of December, after  
290 warning the Davaris, and I believe there's a statement in the affidavit, that a bank executive, a  
Page 10 of 82

**CITY COUNCIL MEETING OF**  
**June 16, 2004**

**VERBATIM TRANSCRIPT – ITEM 78**

291 bank officer told one of the brothers that this is suspicious activity, and if you are gonna conduct  
292 business this way, you should withdraw more money all at once rather than coming in virtually  
293 every day and doing it. The activity did not cease, and, therefore, Chase closed the account on  
294 the 5<sup>th</sup> of December 2003. That's gonna be a relevant date as I go through the rest of the activity  
295 contained in the affidavit. But Chase closed the account. And, apparently, at that time, notified  
296 the authorities, who then stepped in and examined the bank records.

297 At that same time, between June 17<sup>th</sup>, 2002, and December 2<sup>nd</sup>, 2003, three days before the  
298 account was closed at Chase, three hundred and thirty-two checks are cashed for exactly \$9,500  
299 at Wells Fargo Bank in Houston, Texas, according to the affidavit. On the third of December, at  
300 about the same time the Chase account has been closed, that changes. Between December 3<sup>rd</sup>,  
301 2003, and February 25<sup>th</sup>, 2004, 53 checks are cashed but now they vary in amount between  
302 ninety-four hundred dollars and eighty-two hundred and fifty dollars. Only three of the checks in  
303 this period are for exactly ninety-five hundred dollars. On September 2<sup>nd</sup>, 2003, to December  
304 2<sup>nd</sup>, 2003, again just before the Chase account is closed, 61 checks are cashed at Compass Bank,  
305 all for exactly ninety-five hundred dollars. Between December 3<sup>rd</sup>, 2003 and February 27<sup>th</sup>,  
306 2004, 58 more checks are cashed between sixty-four hundred dollars and ninety-five hundred  
307 dollars. Again, the amounts begin to vary only after the Chase account is closed.

308 There were Currency Transaction Reports filed by the Davaris prior to these alleged structured  
309 accounts. In 1997 and 1999, according to the affidavit, two Currency Transaction Reports were  
310 filed with the First Bank of Houston, which later became Wells Fargo Bank. So, it looks like the  
311 activity, as alleged in the affidavit, began on the – June of 2002 with the Wells Fargo account,  
312 where the three hundred and thirty-two checks were cashed and then spread the two other  
313 accounts both opened in September of 2003. Again, these accounts were both opened within two  
314 weeks of Treasures opening in Las Vegas, and they both ceased the cashing checks for the very  
315 specific amounts of \$9,000 and ninety-five hundred dollars only after the Chase account is  
316 closed.

317 That's a summary of what's in the affidavit. As a result three bank accounts have been seized  
318 totaling over \$2,100,000. There's allegations of the complaint that the alleged structuring totaled  
319 well over \$3 million dollars. The, again, that's all we have at this point in time. I'll be glad to  
320 answer any questions that the Council may have.



**CITY COUNCIL MEETING OF**  
**June 16, 2004**

**VERBATIM TRANSCRIPT – ITEM 78**

321 **MAYOR PRO TEM REESE**

322 Councilwoman, any questions?

323

324 **COUNCILWOMAN MONCRIEF**

325 I have another question, please. If before September 15<sup>th</sup> we grant a permanent license to this  
326 facility and at a later date they're found guilty of a felony, normally does this Council consider  
327 revoking the license at that point?

328

329 **MAYOR PRO TEM REESE**

330 Absolutely.

331

332 **COUNCILWOMAN MONCRIEF**

333 Is that a, that's a suitability question that we normally would look at very seriously, correct?

334

335 **BRAD JERBIC**

336 Right. A felony conviction will always result, I believe, in staff bringing a – complaint for  
337 revocation before this Council for your consideration. The code merely requires “committed any  
338 acts,” so it's your standard. You can – use a conviction or less, depending on the amount of  
39 evidence you have.

340

341

342 **MAYOR PRO TEM REESE**

343 Councilwoman, if I could. This is just my observation since my time up here. I think it's easier  
344 to not give a permanent license. I think it's easier to take a temporary license away than to give  
345 a permanent license and then go for revocation.

346

347 **COUNCILWOMAN MONCRIEF**

348 But, obviously, we have a short period of time 'til September 15<sup>th</sup>.

349

**CITY COUNCIL MEETING OF**  
**June 16, 2004**

**VERBATIM TRANSCRIPT – ITEM 78**

349 **MAYOR PRO TEM REESE**

350 Yes.

351

352 **COUNCILWOMAN MONCRIEF**

353 But, today, I do want to say that in reviewing all these statistics on different ABCs, sexually  
354 oriented businesses, they weren't that far off on all those numbers for all the arrests or citations.

355 I feel that, by talking to different members in staff, that maybe we were zeroing in on them and  
356 watching them closer due to the fact that they were a new establishment and that they said they  
357 were going to raise the bar.

58

359 **MAYOR PRO TEM REESE**

360 They made the promise –

361

362 **COUNCILWOMAN MONCRIEF**

363 That promise, yes. So, I'm not opposed in abeying this item, because obviously we have no  
364 prostitution convictions at this point, and the situation in Houston, obviously, will not be  
365 resolved any time soon. But I do just want to make it a point that the public did hear and was  
366 updated with this.

57

368 **MAYOR PRO TEM REESE**

369 I think – when asked, Mr. Fiorentino, do you have any comments at this time?

370

371 **MARK FIORENTINO**

372 Mayor Pro Tem, members of the Council, Mark Fiorentino. I represent D. Westwood, Inc., here  
373 this after, still this morning. Yes, we're prepared to make a full-blown presentation to you once  
374 you get to that point.

375

376 **MAYOR PRO TEM REESE**

377 Well, it's my understanding, kind of talking, or listening to Councilwoman Moncrief, that, with  
378 the ability that we have of holding this until the second week, second meeting in August, that –

**CITY COUNCIL MEETING OF**  
**June 16, 2004**

**VERBATIM TRANSCRIPT – ITEM 78**

379 might be the time to – do this – I don't know whether we need to make a decision today, based  
380 upon the comments that was made earlier in previous Council meetings, because, it's like she  
381 said, we have nothing actually to make a decision based upon today other than allegations. I  
382 don't think it's fair to your client or to us to have to make a – decision based upon allegations.  
383 So, I mean, it's – entirely up to you, and I'm sure our staff is ready to go – full blown also. But,  
384 to me, it's like if, there's no sense us hearing this if we're, in fact, going to ask for an abeyance.  
385 So, it's kind of tit for tat.

386

387 **MARK FIORENTINO**

388 I understand that. And, I was in this sort of same position last time we were here. We have a  
389 full-blown detailed presentation. We are prepared to even start with the presentation to you that  
390 we have a temporary license, because we disagree with that particular interpretation. It might be  
391 splitting hairs. But, if Mr. Jerbic's position is that the significance of a temporary license is that  
392 this Council could take no further action and in September we'd have to close, then we're gonna  
393 have to make some record on at least what our position is on that point.

394

395 **MAYOR PRO TEM REESE**

396 That's fine.

397

398 **MARK FIORENTINO**

399 So, I – think we are prepared to make a presentation, but we are also prepared to be guided by  
400 whatever your decision is at the end of the presentation. If your decision is you still want more  
401 time, that's why you're the Council.

402

403 **MAYOR PRO TEM REESE**

404 Well, again, if you want to make representation as far the temporary license and the comments  
405 Mr. Jerbic made, I'd be more than will, happy to listen to those right at this time.

406

407 **MARK FIORENTINO**

408 Okay. Well, however you want me to proceed, Mayor Pro Tem.

**CITY COUNCIL MEETING OF**  
**June 16, 2004**

**VERBATIM TRANSCRIPT – ITEM 78**

409     **MAYOR PRO TEM REESE**

410     That's fine, and then I think we'll – make a motion.

411

412     **MARK FIORENTINO**

413     So, you don't want me to make a presentation, other than beyond this.

414

415     **MAYOR PRO TEM REESE**

416     Well, no –. Yeah that's it. I don't think it's necessary at – this time.

417

418     **MARK FIORENTINO**

419     Okay. I guess one other thing?

420

421     **MAYOR PRO TEM REESE**

422     Absolutely.

423

424     **MARK FIORENTINO**

425     Do you wanna hear, 'cause he's going to hit me in the back of the head with something, from

426     Mr. Davari's Houston counsel?

27

428     **MAYOR PRO TEM REESE**

429     Absolutely. We, that's – absolutely. Yes.

430

431     **MARK FIORENTINO**

432     Let's let him do that.

433

434     **MAYOR PRO TEM REESE**

435     Absolutely.

436

437     **MARK FIORENTINO**

438     Then I'll make my presentation on the temporary license issue.

**CITY COUNCIL MEETING OF**  
**June 16, 2004**

**VERBATIM TRANSCRIPT – ITEM 78**

439   **MAYOR PRO TEM REESE**

440   That's fine.

441

442   **MARK FIORENTINO**

443   And then maybe we may or may not have to go on from there.

444

445   **MAYOR PRO TEM REESE**

446   I – certainly appreciate, I mean, I think that it's, this is America. We heard from our – attorney  
447   make his presentation, so I think it's only fair that we hear the – Houston attorney.

448

449   **MARK FIORENTINO**

450   Okay. Thank you. While he's coming up, this is Paul Nugent. He is Mr. Davari's counsel in  
451   Houston, and he's responsible for handling the case that Mr. Jerbic was talking about.

452

453   **MAYOR PRO TEM REESE**

454   Thank you. Mr. Nugent, welcome.

455

456   **PAUL NUGENT**

457   Yes. Good morning. Thank you.

458

459   **MAYOR PRO TEM REESE**

460   We need to have you state your name though.

461

462   **PAUL NUGENT**

463   It's Nugent. N-U-G-E-N-T. Paul Nugent.

464

465   **MAYOR PRO TEM REESE**

466   Okay.

467

**CITY COUNCIL MEETING OF**  
**June 16, 2004**

**VERBATIM TRANSCRIPT – ITEM 78**

467     **PAUL NUGENT**

468     I appreciate the opportunity to briefly address you all. The allegations in Houston, it's merely a  
469     civil lawsuit. The state has filed a two-page civil lawsuit. It was filed back on June the 4<sup>th</sup>. We  
470     are preparing answers and will defend that lawsuit. To put it in perspective, the State is alleging  
471     that the withdrawal of approximately \$2.1 million was suspicious. I wanna, I can't be more  
472     forceful in saying the Davaris welcome scrutiny of their business practices. They have very  
473     competent accountants. They account for every dollar they earn. They account for every dollar  
474     they spend.

475     And, to put it in perspective, in the year two thousand and three the Davaris issued 1099's for  
476     cash payments to its employees, and you have to understand the magnitudes of these clubs.  
477     Treasures in Houston employs about 700 people. That includes parking lot attendants,  
478     bartenders, bar backs, chefs, chef's assistants, security personnel, including the entertainers who  
479     are independent contractors, just about 700 people. The Davaris issued 1099's in 2003 for  
480     \$8,843,000 for cash disbursements. In 2002 the Davaris issued 1099's for cash disbursements of  
481     the Treasures in Houston six million six hundred and sixty-nine thousand, \$6,069,000 in cash  
482     disbursements. Over the past three years \$27 million in cash disbursements have been made to  
483     the entertainers, 1099's have been filed with the IRS and issued to the entertainers for each dollar  
484     earned by a dancer and each dollar paid to a dancer.

35     So the Davaris welcome scrutiny from the Internal Revenue Service. The \$2.1 million that is  
486     ceased, the state agency that ceased the money had no access to the Davari tax records. Once  
487     these tax records are made available, the state authorities will see and the federal authorities will  
488     see that every dollar has been accounted for.

489     And I – do wanna stress, there are no criminal allegations in Houston. Although the term  
490     “money laundering” is kind of an incendiary term, although the fact that the Homeland Security  
491     was involved in this multi-agency investigation has some sex appeal for the news media, this is  
492     not a Homeland Security issue. This is not a criminal issue. This is a civil complaint filed in a  
493     District Court in Houston. It'll be litigated for the next year or two or three. There's gonna be  
494     no quick resolution. But I wanna stress, the nightclub business, like the casino business, requires  
495     large sums of cash, and the Davaris routinely on a daily basis make cash withdrawals. That's

**CITY COUNCIL MEETING OF**  
**June 16, 2004**

**VERBATIM TRANSCRIPT – ITEM 78**

496 what Chase Bank thought was suspicious, because Chase Bank is not used to business owners  
497 making six and eight and nine thousand withdrawals on a daily basis.  
498 But the nightclub business is a seven-day a week business, like the casino business. Withdrawals  
499 were made every business day, and that's what Chase deemed suspicious. When Chase informed  
500 the Davari brothers they said, well, there's nothing suspicious. We pay our taxes. We are not  
501 concerned about the Internal Revenue Service. But, of course, Chase was not privy, Chase Bank  
502 or the assistant officer at Chase that alerted the authorities had no idea what the Davaris were  
503 doing with this money, they had no idea the Davaris were issuing 1099's for every dollar  
504 withdrawn and every dollar paid.

505

506 **MAYOR PRO TEM REESE**

507 Excuse me, I just got one question. It seems to me like then like, in most businesses, it might be  
508 slower on Tuesday and Wednesday, but on Friday night and Saturday night there'd be bigger, so  
509 why wasn't there larger withdrawals towards the weekend rather than the regular nine thousand  
510 five hundred?

511

512 **PAUL NUGENT**

513 Mayor Pro Tem, the – that's a good question. And the amount of the withdrawals did vary but  
14 they had monthly budgets and they followed the budgets and, but the – amount of the  
515 withdrawals sometimes did vary. But there was no intent to avoid, the purpose of these reporting  
516 requirements is for the Internal Revenue Service and the Davaris file all their taxes, issue 1099's,  
517 and really do welcome scrutiny by the IRS, by your counsel, and by the authorities. Because  
518 every dollar withdrawn is accounted for in a 1099 to an entertainer.

519 But, Councilman, in retrospect, maybe they should have varied the amounts so it wasn't as  
520 suspicious, but they didn't think there was anything suspicious because they pay their taxes,  
521 they're law abiding American citizens, and they don't, didn't think it was suspicious. It's a cash  
522 industry, to a large extent, and to some people that's suspicious. But, Councilman, I think, in  
523 retrospect, had they varied the amount of the withdrawals maybe now it would be deemed less  
524 suspicious.

**CITY COUNCIL MEETING OF**  
**June 16, 2004**

**VERBATIM TRANSCRIPT – ITEM 78**

525 But, I can't be stronger in my statements. There was no intent to violate banking laws. There  
526 was certainly no intent to evade taxes. And, when all is said and done, when we have our day in  
527 court in Houston, we will provide boxes and boxes and boxes of evidence that every dollar was  
528 accounted for and every dollar in tax owed was paid. And you have to understand that the  
529 Treasures here, like the Treasures in Houston, literally has hundreds and hundreds of employees.  
530 These are big sophisticated operations. They employ a lot of people and they have mammoth  
531 cash needs. And to some that's suspicious, because in this day and age there aren't that many  
532 businesses that have large cash needs like the adult entertainment business.

533 But, Councilwoman, if you have any questions, I know this is in your ward and you are  
534 concerned about this issue, I would like to answer any questions you have. I feel very strongly  
535 about the Davaris. They have, they're conservative businessmen. They have an excellent  
536 reputation in Houston. They're in an industry that attacks, attracts some press and attracts some  
537 scrutiny from law enforcement, as it should, the adult entertainment industry. But they are law-  
538 bidding, tax-paying Americans, and we look forward to our day in court in Houston when we can  
539 answer these allegations.

540

541 **MAYOR PRO TEM REESE**

542 Thank you.

43

544 **PAUL NUGENT.**

545 And –

546

547 **MAYOR PRO TEM REESE**

548 Councilwoman, do you have any questions?

549

550 **COUNCILWOMAN MONCRIEF**

551 I just have one question. So, on an average, every single day they had to withdrawal nine  
552 thousand to ninety-five hundred because that was actually what their income was for the day for  
553 the girls?

554



**CITY COUNCIL MEETING OF**  
**June 16, 2004**

**VERBATIM TRANSCRIPT – ITEM 78**

554 **PAUL NUGENT**

555 Exactly. As I said, in two thousand and three, we don't have the two thousand and four figures  
556 yet, but since this lawsuit was filed on June the 4<sup>th</sup>, and I can't overemphasize, this is merely a  
557 civil lawsuit –

558

559 **MAYOR PRO TEM REESE**

560 We – understand that.

561

562 **PAUL NUGENT**

563 There are no criminal. Since the lawsuit was filed, the accountants have been working around  
564 the clock and they have added up all of the 1099's for two thousand and three, and these were  
565 cash payments. Eight million eight hundred and forty-three thousand dollars and four hundred  
566 and fifteen. So, eight million eight forty-three four fifteen, those were the actual dollar amount  
567 of cash; that's a lot of cash. And the way you get that cash is you withdraw it from the bank.

568

569 **COUNCILWOMAN MONCRIEF**

570 Correct. But I don't think you understood my question. So that on an average, on a daily basis  
571 nine thousand to ninety-five hundred was – what their income was, or at least the pay out to the  
72 girls everyday? It just happened to average that everyday?

573

574 **PAUL NUGENT**

575 That's how much they withdrew. The – payments would – vary, depending on what night of the  
576 week, was there, are there, like Las Vegas, it depends on are there conventions in town, Friday  
577 nights are busier than Tuesday nights. But that's what they – withdrew each night,  
578 approximately, nine thousand or ninety-five hundred dollars.

579

580 **COUNCILWOMAN MONCRIEF**

581 Okay. Thank you very much. I still, Your Honor, feel that we will need to abey this, in the fact  
582 that we have no criminal convictions of prostitution or anything in Houston.

583

**CITY COUNCIL MEETING OF**  
**June 16, 2004**

**VERBATIM TRANSCRIPT – ITEM 78**

583 **MAYOR PRO TEM REESE**

584 Okay, that's fine. Councilman Brown, you have a question?

585

586 **COUNCILMAN BROWN**

587 Thank you, Mayor Pro Tem. Mr. Nugent, as far as understanding that this is brand new to us,  
588 and I appreciate the comments as far as terms that are sexy to the media. Just the – I actual  
589 structuring of, if you could and perhaps if not today, maybe Mr. Jerbic can explain to me, from  
590 an accounting stand point or a convenient stand point, is there something that happens at \$10,000  
591 that would make it more cumbersome if you are going through these daily transactions that  
592 would slow the process or force you instead of taking nine thousand daily you might have to take  
593 twenty-five thousand every three days.

594

595 **PAUL NUGENT**

596 Councilman, that's a good question. If you withdraw more than ten thousand the bank fills out a  
597 report that goes to the IRS. The individuals and businesses that don't want those reports are your  
598 classic examples are, high stakes gamblers who don't want to pay taxes or drug dealers who  
599 don't want the IRS to know they have cash. They don't want those reports filed. The Davaris  
600 have no problems with the IRS scrutinizing them. They pay their taxes. The dancers, when the  
601 dancers are paid in cash, they get a 1099 just as they should. It's money earned and they get a  
602 1099. So the, there's really, the only burden is the paperwork, but I want to stress, Councilman  
603 Brown, the Davaris have no intent to keep anything from the IRS. They file boxes of 1099's  
604 each year with the IRS. They have no intent to hide anything, they have no intent to violate any  
605 laws. And when they were told by Chase that this was suspicious, their reaction was, well it's  
606 not suspicious, we're in the – adult entertainment business, we pay our taxes, the IRS doesn't  
607 have a problem with us. So I think that's a factor that actually goes in their favor when they  
608 were told several years ago this is suspicious their reaction was we pay our taxes, we follow the  
609 law. And – they've been doing this for years and years and years, Councilmen and  
610 Councilwoman, this is a practice that they've been doing for probably about a decade.

611

**CITY COUNCIL MEETING OF**  
**June 16, 2004**

**VERBATIM TRANSCRIPT – ITEM 78**

611 **COUNCILMAN BROWN**

612 I appreciate that. And that's what's great about this country, that you know these are charges  
613 and you'll have one year, two years, or three years to address them but one could look at the  
614 scenario that even though they were nine to ninety-five hundred, if they were going to try to hide  
615 or be deceitful or circumvent something, they wouldn't be so obvious in their actions.

616

617 **PAUL NUGENT**

618 That's right.

619

620 **COUNCILMAN BROWN**

621 This pattern of behavior was there, a person is so blatant that they're not afraid to hide anything  
622 or they may be so stupid that they don't think anybody's going to pick that up. So, I appreciate  
623 that because that was one of the things I didn't understand and we just received this ,so this  
624 whole structuring certainly has two sides to that but we'll hear more about that, I'm sure, in the  
625 future.

626

627 **PAUL NUGENT**

628 Thank you.

629

630 **MAYOR PRO TEM REESE**

631 Any other questions? Seeing none, Mr. Fiorentino would you come up.

632

633 **BRAD JERBIC**

634 If I could Your Honor, before you talk to Mr. Fiorentino maybe while Mr. Nugent is here, and  
635 I'm jumping ahead to the end of staff's, but I know that I talked to staff and one of the things that  
636 staff is going to ask during the period of abeyance while this is abeyed, is for Treasures to submit  
637 to a complete audit and that includes auditing of the construction records of the building itself  
638 between the time of this abeyance and the time this Council next convenes. Mr. Nugent  
639 represents the Davaris on some matters probably relevant to that potential audit and so while he's  
640 up here at the podium, I thought it might be addressed. If you think I'm speaking out of turn or

Page 22 of 82

**CITY COUNCIL MEETING OF**  
**June 16, 2004**

**VERBATIM TRANSCRIPT – ITEM 78**

641 you'd like to address it later, I know that's going to be a request of staff, I want to know if they  
642 will submit to it.

643

644 **MAYOR PRO TEM REESE**

645 You heard the question.

646

647 **PAUL NUGENT**

648 We will provide anything's requested. We, the Davaris have nothing to hide and we – they do  
649 expect scrutiny and they will provide what they're requested to provide.

650

651 **MAYOR PRO TEM REESE**

652 I would just ask Brad, why would staff be asking, for the record, why would they be asking for  
653 these records?

654

655 **BRAD JERBIC**

656 I think given –

657

658 **MAYOR PRO TEM REESE**

659 That type?

660

661 **BRAD JERBIC**

662 Given the fact that these transactions all began, it appears, about the same time Treasures Las  
663 Vegas opened and went on for this period until Chase closed the account. And again, they're  
664 going to three banks virtually everyday getting ninety-five hundred, ninety five hundred, nine  
665 thousand day after day after day.

666

667 **MAYOR PRO TEM REESE**

668 What does that have to do with –

669

**CITY COUNCIL MEETING OF**  
**June 16, 2004**

**VERBATIM TRANSCRIPT – ITEM 78**

669 **BRAD JERBIC**

670 --until Chase shuts it down.

671

672 **MAYOR PRO TEM REESE**

673 What does that have to do with the construction here, though?

674

675 **BRAD JERBIC**

676 I think that staff wants to know that the books do add up. Because, as Mr. Nugent has indicated,  
677 people don't do this for no reason at all. It's a bit of an inconvenience to file a Currency  
678 Transaction Report but it is the law. And if people are trying to hide money from the IRS and  
679 again that is merely the consequence that one could draw from not filing a currency transaction  
680 report, then it's for reasons putting it elsewhere. And we would like to see what the books look  
681 like here and as a privileged license holder we think we're entitled to.

682

683 **MAYOR PRO TEM REESE**

684 Thank you. Thank you, Mr. –

685

686 **PAUL NUGENT**

37 I don't – Mayor Pro Tem, I don't see a problem with that. We're not doing anything that we're  
688 ashamed of. We're following the law as best we can. We're following all the regulations of this.  
689 Again I don't see any problem with providing whatever the City needs.

690

691 **MAYOR PRO TEM REESE**

692 Thank you – Mr. Nugent.

693

694 **COUNCILMAN BROWN**

695 Mayor Pro Tem and if I could, on that very subject, Mr. Jerbic, in light of, I think, one of the  
696 overriding themes here today is the original hearing and what this Council directed I think the  
697 semantics have come into play as far as a promise or commitment or, I would just ask that in  
698 corresponding with Mr. Nugent that we're very specific in what we're asking for, so in ninety  
Page 24 of 82

**CITY COUNCIL MEETING OF**  
**June 16, 2004**

**VERBATIM TRANSCRIPT – ITEM 78**

699 days we don't come back and have either parties say that there was not clear enough  
700 communication in what was being asked and what was being provided.

701  
702 **BRAD JERBIC**  
703 I agree. I think it's real important and I will meet Mr. Nugent after the hearing is over with.  
704 We'll exchange cards and numbers and get the process in order.

705  
706 **PAUL NUGENT**  
707 And if I may add, the cash withdrawals were going on well before they started construction here  
08 at the Las Vegas Treasures. That's just what is necessary to run a nightclub business.

709  
710 **MAYOR PRO TEM REESE**  
711 Thank you, sir.

712  
713 **PAUL NUGENT**  
714 Thank you for the opportunity —

715  
716 **MAYOR PRO TEM REESE**  
17 You bet.

718  
719 **PAUL NUGENT**  
720 -- to appear. I really do appreciate it.

721  
722 **MAYOR PRO TEM REESE**  
723 Thank you for coming. I appreciate you. Thank you.

724  
725 **PAUL NUGENT**  
726 Thank you.

727

**CITY COUNCIL MEETING OF**  
**June 16, 2004**

**VERBATIM TRANSCRIPT – ITEM 78**

727 **MAYOR PRO TEM REESE**

728 If I could, Mr. Fiorentino, I'd ask you to, you had a comment about the temporary license as Mr.  
729 Jerbic explained to us.

730

731 **MARK FIORENTINO**

732 Yes. I'm afraid this didn't get any less complicated for me in the last two minutes or five  
733 minutes, but let me say one more thing on the Currency Transaction Report, if you allow me,  
734 Mayor Pro Tem. During the same time period that these allegations were made in Houston,  
735 obviously, the club here in Las Vegas, as Mr. Jerbic pointed out to you has been up and  
736 operating. In Las Vegas they have filed a courtesy, Currency Transaction Report everyday.  
737 Because their needs in Las Vegas are different. They only have one club instead of six or seven  
738 and part of the answer, I don't think you got, Councilman Brown, was well why would you do it  
739 that way; it's for security reasons. So that they don't have any one person carrying around  
740 \$50,000 in cash. It's not ninety-five hundred total a day, it's ten ninety-five hundred dollar  
741 withdrawals so that they can provide enough cash to their multiple clubs. In Las Vegas they  
742 don't have that issue so they've been withdrawing, the vast majority of their withdrawals here  
743 have exceeded ten thousand and there were a courtesy, Currency Transaction Reports done here.  
744 If you want it for the record, the manager of the club has done a sworn affidavit attesting to that.

45 Second, on the temporary license. I have examined the transcript and when I get to the end I'll  
746 get, I guess, to the point of why I think this is a critical issue and then again why it might just be  
747 a totally irrelevant. Councilman Reese, at the end of that long day, as it turns out, on my  
748 birthday three years ago, this was your motion, "I move for approval with a six-month review."  
749 There's a little bit further discussion, and then you said, "And with those conditions in place, my  
750 motion would be for approval of this application." There's no mention anywhere in this  
751 transcript of the word temporary or a temporary license. Now, here's what happens after that  
752 hearing. Business license issues us in eleven, on 11/21 of 2000, which is before the liquor  
753 license hearing because the sexually oriented business license came here before a temporary  
754 license. Has any –

755

**CITY COUNCIL MEETING OF**  
**June 16, 2004**

**VERBATIM TRANSCRIPT – ITEM 78**

755 **MAYOR PRO TEM REESE**

756 Can we go to the overhead please.

757

758 **MARK FIORENTINO**

759 It has in very giant letters on it, the word “temporary.” The next thing we get issued for the, and  
760 this one, for some reason, says, “topless club with liquor.” Okay. Then we get issued a  
761 conditional license with the words “with liquor” removed but saying “topless club.” Again this  
762 is only the adult use license. Conditional license. Every subsequent license, and the reason this  
763 is going on is because the building hasn’t been built yet, and if you read the fine print at the  
64 bottom of these licenses it says that. It says, “this is conditional until you open and operate.” So,  
765 we get a series of conditional licenses, and we actually have correspondents from our office back  
766 and forth with Mr. DiFiore asking him to explain conditional licenses. A series of conditional  
767 licenses all the way up to the point where you hold a hearing. Then, we are issued a liquor  
768 license. There’s no word “condition,” there’s no word “temporary” on it. And in fact, here’s the  
769 liquor license itself, liquor license for the taverns and the service bars. There’s no word  
770 “temporary.” There’s no word “conditional.”

771 We have never received any notice that – until yesterday, for the first time that if somehow you  
772 don’t take action within six months we have to close. No one’s ever mentioned that to us. In  
73 fact, we just keep getting renewal notices in the mail and are paying fees based on the gross  
774 revenue of the establishment. Now obviously, to repeat what I said earlier, if Mr. Jerbic is gonna  
775 submit to you that – has substantial legal significance, that in other words, you could just decide  
776 not to take any action and he’d be out of business we can’t allow that to happen without some  
777 further discussion of it.

778

779 **MAYOR PRO TEM REESE**

780 Well, I’ll guarantee you this Council will take action.

781

782 **MARK FIORENTINO**

783 Okay. Second, if you allow me to make a presentation, one of the things I was going to say is,  
784 it’s probably going to be irrelevant. The issue, that’s just splitting hairs between Mr. DiFiore,  
Page 27 of 82



**CITY COUNCIL MEETING OF**  
**June 16, 2004**

**VERBATIM TRANSCRIPT – ITEM 78**

785 Mr. Jerbic, and I. What you call it the license, call it a banana split, the issue is going to be the  
786 same. And if you have to hold a hearing in order to avoid this September date, then Mr. Jerbic,  
787 in the second meeting in August, you're still not gonna have any information more than what  
788 you have today, or virtually no more. The Houston allegations will be, in still, in their infancy.  
789 Only two of the trials that are scheduled will occur before the second meeting in August. So,  
790 you still won't have that information in front of you. And so I guess what, unless you insist and  
791 I'm very good at listening to insistence, we would still like to make a presentation. I would like  
792 to wait, though, until I hear the rest of staff's presentation because it was the first time, until 30  
793 seconds ago, that I heard that they intended to ask for a bunch more things like an audit of the  
94 construction. And that, frankly, surprised me because they've already asked for that and we  
795 already provided it. We gave them financial statements. They asked for them in detail to  
796 account for all of the construction dollars. This was months ago. We even offered to provide the  
797 backup checks to support the payments we were showing in the financial statements and we were  
798 told we don't need the checks at this point. Clearly something has changed, and clearly we have  
799 nothing to hide and don't mind providing it. But I don't want to go through a presentation and  
800 then hear two hours from now there's a list of additional things that you need us or expect us to  
801 produce.

802 I know, I can see that look in your eye, but I want to say one thing and then you can cut me off. I  
93 want to do the beginning of my presentation. Besides introducing the people that were in the  
804 room, Ross Goodman is in the room, he is in charge of handling these cases for the dancers and  
805 the people who have been cited. He's prepared to answer whatever questions that you have.  
806 Obviously, you've already heard from Mr. Nugent. David Davari is here. The managers of the  
807 club are here. Tom Dylan is here, who is the consultant that our firm hired to go in and find out  
808 what was going on in this club and to find out whether we were living up to, at least, one of the  
809 two promises I made to you. But I was going to start by making two apologies to you; to each  
810 and every one of you for the comments that I made three years ago in 2001. I've studied that  
811 transcript and what it says is, "if there's a single conviction for prostitution, and you revoke our  
812 license, we won't fight it in court." I had been practicing in front of you people for 12 years. I  
813 have never stood here before and made a promise on behalf of my client that our firm or our  
814 client could not live up to. And that's what I did that day. That is an impossible standard. And  
Page 28 of 82

**CITY COUNCIL MEETING OF**  
**June 16, 2004**

**VERBATIM TRANSCRIPT – ITEM 78**

815 if you let us make a presentation, we'll show you why. It depends on control of the conduct of  
816 people outside the control of Mr. Davari and the people who work for him, and it depends on the  
817 control of circumstances outside of his control. And I was an idiot. I had no idea what I was  
818 saying. I had no idea how the system worked. I should have known better and the reason it  
819 really bothers me and has bothered me ever since that meeting in March, is because it's you that  
820 are suffering the consequences, is that, it's each and every one. We put you in an impossible  
821 position by committing to something that I cannot possibly and should not have ever committed  
822 to.

823 Now we did make a commitment because everybody remembers what the allegations were three  
824 years ago and they related to allegations in Mr. Davari's clubs in Houston that actually occurred  
825 two years prior so now they're four, five, six years old. But they were egregious. They were  
826 very serious allegations. And we made a promise that – would do everything within our power  
827 to put procedures in place to make sure that kind of conduct, that we don't have to talk about  
828 publicly today if you don't want to, but we're prepared to, was not going to occur in this club in  
829 Las Vegas. And I'm telling you, we put those procedures in place and I'm telling you they're  
830 working, that kind of conduct is not occurring in this club.

831 Now for the second apology. It was my job to demonstrate to that, to you in March, and I didn't  
832 do my job. Okay. I did not have all of the information I needed to demonstrate that to you, and I  
33 was not prepared to even discuss the information I did have. I was unprepared, Councilwoman, I  
834 was crabby and that's unprofessional and I'm sorry for it. But we're going to end up in the same  
835 spot with respect to the first commitment. We can talk for months, we can talk for years and  
836 there's nothing more that I can say than I'm sorry. If that's the standard, take the license today  
837 'cause you should just presume I lose all four cases because that's the safest presumption. With  
838 respect to the second apology, I am prepared today, I am prepared to go through this and show  
839 you what we have done and the results that it has produced, if you think that's relevant and you  
840 want to hear it. I think you should because you're just going to hear it in August anyway.

841

842 **MAYOR PRO TEM REESE**

843 Well, I think in all respect, and I do respect you, I feel that to save time, I mean I welcome Mr.  
844 Davari if he wants to get up and say a few words or Mr. Goodman or anybody that you brought  
Page 29 of 82

**CITY COUNCIL MEETING OF**  
**June 16, 2004**

**VERBATIM TRANSCRIPT – ITEM 78**

845 here, we allow them to make a statement If not, I think that I've heard what the Councilwoman  
846 would like to see. I feel myself kind of the same way. Councilman Brown, do you have any  
847 comments, or Councilman Weekly? Councilman Brown?

848

849 **COUNCILMAN BROWN**

850 Mayor Pro Tem, I do have a lot of questions still to be asked, but I guess first and foremost is  
851 this issue of a temporary status. If that is going to be from a timing standpoint, a drop dead date,  
852 then I certainly want to hear. Mr. Fiorentino's indicated that not much will change between now  
853 and late August of the first meeting in September. Although this seems to be a moving target in  
854 some areas, I'd still like to hear from Mr. Fiorentino, and if appropriate, Mr. Goodman or anyone  
855 else that wants to address some of the issues that have brought us hear today and those are the  
856 temporary license, this promise, this commitment, this Council direction, which I think is  
857 critically important. And one of the big issues that has been in effect since February 21, 2001 is  
858 the industry comparisons. I would certainly, we're prepared to talk about that today and  
859 certainly I'll defer to the Councilwoman if she feels differently. But I'd like to get a sense of  
860 some of the key issues separate from the structuring issue that has now been brought up today.  
861 I'd really like to get a feel of what has happened since March 'til now on those issues because  
862 we've been very clear in asking for specific information.

53

864 **MAYOR PRO TEM REESE**

865 Councilwoman?

866

867 **COUNCILWOMAN MONCRIEF**

868 That will be fine.

869

870 **MAYOR PRO TEM REESE**

871 You want to go ahead and have a hearing then?

872

**CITY COUNCIL MEETING OF**  
**June 16, 2004**

**VERBATIM TRANSCRIPT – ITEM 78**

872 **COUNCILWOMAN MONCRIEF**

873 I still say that there's been no convictions of prostitution, nothing has been resolved or even  
874 virtually spoke about in Houston. I still feel that we need to abey this item.

875

876 **MAYOR PRO TEM REESE**

877 Mr. DiFiore, is it your, from your history, do you think we can have any resolutions by, say we  
878 held this in abeyance until the second week in August, do you think we'd have any resolutions of  
879 the cases pending?

880

881 **JIM DiFIORE**

882 It's possible, but it's also slightly impossible for it to be shown that they'll definite – they'll be  
883 definite dispositions of these cases. I believe these cases, the original arrest were back in 2003.  
884 Here we are half way through 2004, so it's been nine months or more. It – may be that we get to  
885 the second meeting in August and we're in the same position that we are today.

886

887 **MAYOR PRO TEM REESE**

888 Okay. I was ready to make a motion, but I will defer to Councilwoman. If she would like to  
889 make a motion at this time, I would sure put it on the floor.

90

891 **COUNCILMAN BROWN**

892 Mayor, if I may? Councilwoman?

893

894 **MAYOR PRO TEM REESE**

895 Yes.

896

897 **COUNCILMAN BROWN**

898 I have no problem supporting the Councilwoman's direction, as far as holding this in abeyance,  
899 but I would ask that we at least get an update, a status report, or some kind of additional  
900 information on the key issues that have been talked about since 2001. We're here today, we  
901 have volumes of information and my questions will be very specific. So with her indulgence,  
Page 31 of 82

**CITY COUNCIL MEETING OF**  
**June 16, 2004**

**VERBATIM TRANSCRIPT – ITEM 78**

902 and again, I'll support if the direction is to hold this in abeyance but as part of that I'd certainly  
903 like updated information on where we are because a lot of work has been done by Mr. DiFiore,  
904 by Mr. Jerbic, by Metro, by Mr. Fiorentino. And I – think some of it needs to be clarified  
905 because there was disagreement and some confusion on the text and some comments and some  
906 statements that have been made in our prior public hearings that I certainly would like an update  
907 on.

908

909 **MAYOR PRO TEM REESE**

910 Thank you. Councilwoman.

11

912 **COUNCILWOMAN MONCRIEF**

913 That will be fine.

914

915 **MAYOR PRO TEM REESE**

916 Okay. Then here's going to be, the way we'll do things. We'll let staff make their presentation,  
917 and we'll give them rebuttal time after you get through with your presentation, then we will  
918 allow you to ask questions. I'll, staff or their officers or whatever. So we will hear this, and  
919 there'll be no promises on what acts out at the meeting.

20

921 **MARK FIORENTINO**

922 You got it. Better order pizza.

923

924 **MAYOR PRO TEM REESE**

925 Okay. Mr. DiFiore. This is not a public hearing. It's not a public hearing at this time.

926

927 **TOM MCGOWAN**

928 Oh, it's not a public hearing. Thank you.

929

930 **MAYOR PRO TEM REESE**

931 Thank you.

**CITY COUNCIL MEETING OF**  
**June 16, 2004**

**VERBATIM TRANSCRIPT – ITEM 78**

932 **JIM DiFIORE**

933 I'll address the temporary license issues first. Number one, when the Council voted in 2001, the  
934 vote was made with a motion to approve with a six-month review. Whether the word or the term  
935 "temporary" was in that, I feel is irrelevant. If you look at 6.06051, is a privilege license code.  
936 It talks about temporary license and purpose. It states A) the City Council may grant a  
937 temporary license pending its decision regarding a license application in order to determine the  
938 applicant's fitness for a license. And it goes on to continue the other provisions that provide for  
939 a temporary license. 6.06052 talks about temporary license and extension --

940

41 **MAYOR PRO TEM REESE**

942 Excuse me, Mr. DiFiore. Just for the record, I was just informed by our Deputy Attorney that we  
943 are in compliance with the open meeting law even though we only have three sitting on the dias  
944 because of the reduction because of the abstentions. Is that correct?

945

946 **TOM GREEN**

947 Correct.

948

949 **MAYOR PRO TEM REESE**

50 So that's just for the record. Thank you. Continue.

951

952 **JIM DiFIORE**

953 6.06052 talks about a temporary license extension and A) states specifically, a temporary license  
954 may be issued initially by the City Council for a period not to exceed six months. It goes on to  
955 say that the City Council and B) may grant one extension of a temporary license for a period not  
956 to exceed six months. So there you have your full year of operating on a temporary license.

957

958 **MAYOR PRO TEM REESE**

959 Let me ask a question. Are they operating on a temporary license?

960

**CITY COUNCIL MEETING OF**  
**June 16, 2004**

**VERBATIM TRANSCRIPT – ITEM 78**

960 **JIM DiFIORE**

961 In my opinion they are. Because the motion was to approve with a six month review to –

962

963 **MAYOR PRO TEM REESE**

964 To approve –

965

966 **JIM DiFIORE**

967 -- to approve the license with a six month review. You didn't, the motion did not include the  
968 term temporary but when you approve a license, and we've always presumed that approval of a  
969 license met the criteria of temporary license and with a six-month review, as a condition, it was  
970 temporary license. It was not a permanent that was granted by the Council.

971

972 **MAYOR PRO TEM REESE**

973 Mr. Jerbic, can you shake your head yes or no on that?

974

975 **BRAD JERBIC**

976 Well, I – take Mr. DiFiore's common business practice at his word. I, it was represented to me  
977 that this was a temporary license, which is why I made the representations on the record, because  
978 if you assume it's a temporary license, then the code fills in the blanks. It can't be for more than  
979 six months. You can't have more than one extension. It can't be for more than six months so  
980 one year is the dead drop dead date. But it's based on the assumption that the license is  
981 temporary. I think what Mr. DiFiore has represented, that historically, when the Council has  
982 granted a license for the six-month review, he has treated that as a temporary license. Now, I  
983 don't want to put words in Mr. DiFiore's mouth, but that's what I thought I heard and if that's  
984 true then it's up to you to accept whether or not that's a temporary license based on his common  
985 business practice.

986

987 **MAYOR PRO TEM REESE**

988 Well it's just, from what I – see sitting up here is any time we – issue a license like that and we  
989 get with a six-month review, it is a temporary license. So, whether it's, whether it was in the  
Page 34 of 82

**CITY COUNCIL MEETING OF**  
**June 16, 2004**

**VERBATIM TRANSCRIPT – ITEM 78**

990 motion or it was intended to be a temporary license to operate, and again I'm not putting words  
991 in anybody else's mouth either, but to me, I look at it as a temporary license. I always have  
992 thought it – as a temporary license.

993

994 **COUNCILMAN BROWN**

995 Mayor Pro Tem.

996

997 **MAYOR PRO TEM REESE**

998 Yes.

99

1000 **COUNCILMAN BROWN**

1001 Again, with all the subplots that are playing out here, I think ultimately we're looking at the  
1002 suitability of Treasures, and that is where we'll get to some day. But I have a feeling that  
1003 between the court cases and perhaps temporary licensing issues that this could get, from a legal  
1004 standpoint, strung out or pushed out, and we're still going to miss our opportunity or our intent to  
1005 address the bigger question. So, Mr. DiFiore, I'm going to ask some specific questions just to set  
1006 the public record. I don't know if this will help or hurt, but it will make at least a better  
1007 understanding for me personally. You have indicated that this is what we have done in the past  
1008 as far as practice policy, when we approve a license continued upon a six-month review. I think  
1009 Mr. Fiorentino put up some correspondence from the City. Are there similar licenses set out as  
1010 far as what he demonstrated that would not have that same temporary stamp that he indicated  
1011 was missing, or is that likewise a practice that we would send those out it would be no different  
1012 from another, a similar license or something in the same category.

1013

1014 **JIM DiFIORE**

1015 The license that he displayed before the City Council was the license for the Erotic Dance. It  
1016 was what we call a, the topless with liquor. That was not the liquor license itself. This was done  
1017 and issued after the Council's vote in 2001, primarily to show that there had been an approval of  
1018 the license, and it was, again, subject to all the Planning conditions and Fire Safety Code  
1019 conditions that we grant any license. There are licenses that are approved with a temporary



**CITY COUNCIL MEETING OF**  
**June 16, 2004**

**VERBATIM TRANSCRIPT – ITEM 78**

1020 statement on it, a temporary license, primarily for the facilitation of that license through the  
1021 regular process. If the license that he displays for the liquor license did not have “temporary”  
1022 stamped on it, certainly, I think, this was clarified today, and certainly if that’s what he’s looking  
1023 for as far as having proof of what type of license it is, we can accommodate that.

1024 When the Council grants temporary approvals, such as what we’ve had today on the City  
1025 Council agenda, we’ve had requests for temporary approvals and those primarily are due to the  
1026 fact that the applicant has just submitted their application. The, one of the conditions of a  
1027 temporary approval by Council is that the suitability be determined primare, preliminary, at this  
1028 point. And we do that to facilitate businesses which may have a restaurant license and – they  
1029 want to open up by the first of the month. Their suitability investigation may take four to six  
1030 months, so we grant them temporary license pending the outcome of their investigation so there  
1031 is a – sort of a different type of temporary license in that regard. Again, I’ll rely on my  
1032 statements with regard to the approval of this license for a six-month review as meeting the  
1033 criteria for a temporary license under our City Code.

1034

1035 **COUNCILMAN BROWN**

1036 Okay. And as a refresher, thank you, Mr. DiFiore, when we’re talking revocation temporary  
1037 license, we are specifically addressing the liquor license.

38

1039 **JIM DiFIORE**

1040 That is correct. The – Topless Erotic Dance License is not subject to this particular hearing.

1041

1042 **COUNCILMAN BROWN**

1043 I appreciate that. Thank you, Mayor Pro Tem.

1044

1045 **MAYOR PRO TEM REESE**

1046 Thank you. Continue.

1047

**CITY COUNCIL MEETING OF**  
**June 16, 2004**

**VERBATIM TRANSCRIPT – ITEM 78**

1047 **JIM DiFIORE**

1048 Okay. I'm going to let Mr. Jerbic address the statistic comparison that was done for 2003, 2004  
1049 on Erotic Dance, as well as the solicitation of prostitution charges, and then I'll continue my  
1050 presentation.

1051

1052 **BRAD JERBIC**

1053 Thank you. I've had members of my staff go back and find, (inaudible) through the records to  
1054 put together the best numbers that we could to provide to Mr. Fiorentino, and his client, and to  
1055 the City Council today regarding the comparison between Treasures and the other, similar  
1056 license clubs in town. What I'd like to do is file with the Clerk, at this time, the document that  
1057 reflects those numbers. The names of the other clubs have been taken off. They've just been  
1058 named clubs A, B, C, D, E, F, G – if it becomes relevant and the Council needs to know names, I  
1059 can provide them to you. But I'd keep it clean and without getting into any argument of that  
1060 we're talking about other clubs here or going after them. We just took the names off for  
1061 purposes of this hearing.

1062 What you see in the top column are 2003 Erotic Dance violations. 2003 is the year that  
1063 Treasures opened and so it reflects three point five months of operation for Treasures and 12  
1064 months of operations for the other clubs. They were of course open that entire year. As you can  
1065 see two of the clubs received 20 citations. Treasures, on a 3.5-month period, received 10  
1066 citations. I don't know that you can really draw any conclusion that they're any better or worse  
1067 than – the other clubs. There's certainly higher numbers. They're up there with the highest  
1068 numbers for such a short period of time but, those are the numbers that come from 2003. For  
1069 2004 we do have an apples to apples comparison. All clubs are open for five and a half months.  
1070 The Treasures received 14 citations for Erotic Dance Club. There are four that have a worse  
1071 record than Treasures. One has 17, one has 19, one has 13, one has 23. I think those numbers  
1072 speak for themselves.

1073 When we talk about soliciting prostitution, in 2003 there were, again Treasures was only open  
1074 for three and a half months the other clubs were open for 12. One club received two citations for  
1075 soliciting prostitution, one received two, two other clubs have six citations for soliciting  
1076 prostitution. One has one, and Treasures had four in that period. In fairness to Treasures, I don't  
Page 37 of 82

**CITY COUNCIL MEETING OF**  
**June 16, 2004**

**VERBATIM TRANSCRIPT – ITEM 78**

1077 think it's four individual citations. I think it's three defendants. One defendant has two charges  
1078 of prostitution against her and I don't think that case has been litigated yet. Looking at those  
1079 numbers, again, you can clearly argue that there were clubs for that same period of time that had  
1080 a worse record than Treasures when it came to arrest for soliciting prostitution. Nobody on staff  
1081 will stand up here and tell you otherwise. The only conclusion that I would draw for it, again  
1082 everybody will draw their own, is I don't think Treasures, from based on these statistics, is  
1083 necessarily any better or any worse if you were just measuring citations alone. Nobody here on  
1084 staff is going to get up here and tell you that they're the big bad wolf or that they are the, running  
1085 an establishment that is running disproportionately high compared to other establishments. I do  
1086 know that there are issues with respect to how the individual police officers are treated when  
1087 they get to the establishment. When Metro has an opportunity to speak they'll enlighten you as  
1088 to the kind of reception that they get when they enter an establishment like Treasures, but the  
1089 numbers are the numbers.

1090 With respect to prosecutions and how they may differ from club to club. I will not stand up here,  
1091 as your City Attorney, and tell you that we prosecute every prostitution case the same way. We  
1092 don't. If we see problems in one club versus another club, we may decide that in those club's  
1093 cases we will crack down and offer no deals and take them to trial because we want to get  
1094 compliance. In this case, and I'll tell you quite honestly, it wasn't until we ran the numbers this  
1095 last week that I became aware of the fact that there are other clubs that had more citations for  
1096 soliciting prostitution than Treasures did. When I became aware of that fact, I've instructed my  
1097 staff that those cases will be treated the same way as Treasures cases will be. Which is they will  
1098 go to trial and they'll be litigated up or down on a – by a judge. It's something I should have  
1099 been aware of sooner, I'll tell you that, but we do not keep those statistics and maybe behalf of –  
1100 because Mr. Fiorentino was diligent and requested them and the Council did, it was an  
1101 enlightenment for me to see those numbers. And it's resulted in a bit of a change in our office's  
1102 philosophy towards some of the other clubs and the way we prosecute those cases. But prior to  
1103 that awakening, I can tell you that we did offer negotiations to those other clubs, to those  
1104 individuals who worked in clubs soliciting prostitution.

1105 I do want to make a distinction here too between club prostitution and street prostitution. They  
1106 are two different things. Club prostitution are opportunities for dancers who are already half  
Page 38 of 82

**CITY COUNCIL MEETING OF**  
**June 16, 2004**

**VERBATIM TRANSCRIPT – ITEM 78**

1107 naked working with people who are half liquored up to solicit them for a sexual opportunity  
1108 versus a street hooker who operates on the street, not nearly in the same environment, who  
1109 usually is operating out of a drug addiction. In street hooker cases we offer, in a lot of cases, our  
1110 order-out-corridor, which is council approved as part of an ordinance revision several years ago,  
1111 which is, if you agree to stay out of the Order Out Corridor, pay a fine and go to classes that the  
1112 cases would be reduced at the end of it. That is treated that way because they work in a  
1113 particular area, and we want to keep them out of that area. The dancers have eliminated first  
1114 amendment right to work in the clubs, and so on a lot of cases what we've done, prior to our  
1115 becoming aware that the numbers were higher in some clubs, was to give them an opportunity to  
1116 surrender their work card for a period of a year and the penalties would go with it and the charge  
1117 would be reduced considerably at the end of it. Again, in those clubs where we see a spike in the  
1118 prostitution numbers, that will not occur any more. But that's how those cases have been treated.  
1119 The Treasure's cases were treated differently from the outset for a very simple reason.  
1120 Treasures, when they appeared before the City Council in December of 2000, received a  
1121 background check that strongly suggested that they were not suitable applicants for a privileged  
1122 license in the City of Las Vegas. It was only after a number of fairly raw facts were disclosed in  
1123 those reports regarding the clubs in Houston, and if Mr. Fiorentino wants to go over what some  
1124 of those violations were, I will be happy to, but I'm not going to at this point in time. It was  
25 only, I think, when their back was against the wall that they agreed to this higher standard of a  
1126 conviction. And based upon the Council's acceptance of that higher standard and their offering  
1127 of that higher standard, we were not in the position to negotiate those cases because literally, if  
1128 our office negotiated every Treasure's case the way we would negotiate a regular club's case,  
1129 there would never be a conviction based on the Council's standard that was set. And by our  
1130 action alone, our unilateral action as prosecutors, we would, it would result in them getting a  
1131 permanent liquor license, which I don't think was the Council's intent. That's why their cases  
1132 were treated differently. If the Council has any questions, I'll be glad to answer them.

1133

1134 **COUNCILMAN WEEKLY**

1135 I have a question. This, I'd just like to ask Mr. Jerbic, when we look at many of the dancers  
1136 inside of the clubs, how do we hold a manager or club operator responsible for a dancer's action  
Page 39 of 82

**CITY COUNCIL MEETING OF**  
**June 16, 2004**

**VERBATIM TRANSCRIPT – ITEM 78**

1137 who's considered an independent contractor, who, as you indicated, who's already half naked,  
1138 who's entertaining someone who's under the influence, how – do they, I guess how would they  
1139 manage that, if you will? Or how will they be held totally responsible for that action?

1140

1141 **BRAD JERBIC**

1142 It's a good question. I'll let Metro come up and talk here. Let me just state philosophically that I  
1143 think, we're all aware, including myself, that the very nature of this type of industry is to provide  
1144 adult entertainment. And when it comes to Erotic Dance violations sometimes it's a matter of  
1145 how much dancing is too much dancing. We all know that. We know that's a difficult thing to  
1146 measure. But I, but we also know that it is different from club to club. Different managers have  
1147 different levels of responsibility and there's different reactions to the police depending on what  
1148 club you go to. To answer those questions and get to the heart of your question, Councilman, let  
1149 me turn it over to the Metropolitan Police Department.

1150

1151 **COUNCILMAN WEEKLY**

1152 Okay. And – before Officer Stacy comes up, I just want to ask you, would you agree that it is  
1153 what it is. It's the nature of the business and when we look at the comparisons here Treasures  
1154 compared to clubs A through G, if you will, and you said on the record that basically they're all  
1155 kind of in the same boat, if you will. I don't want to speak for you. But how would we, I guess,  
1156 are you – saying that looking at these comparisons here that because they've been open a short  
1157 period of time, some of their allegation or charges are almost at the same rate as some of the  
1158 other clubs, if you will, who've been open for a long period of time?

1159

1160 **BRAD JERBIC**

1161 They're certainly, I think, consistent with the clubs that are running some of the higher numbers  
1162 for Erotic Dance. They're definitely not the highest. There are, like I said, there are three that  
1163 are ahead of them. And by the way for this year, to each of the club's credit, there have been no  
1164 prostitution arrests reported that, in the City of Las Vegas. So, for 2004 for every club, including  
1165 Treasures, hats off to you. There are no prostitution arrests that we're aware of. But again, it is  
1166 not the industry standard to provide prostitution in any club in the City. And for, I think the  
Page 40 of 82

**CITY COUNCIL MEETING OF**  
**June 16, 2004**

**VERBATIM TRANSCRIPT – ITEM 78**

1167 argument begins with, this is adult entertainment and it's hard to imagine a lap dance without  
1168 touching because by the very statement itself suggests that. So, there's going to be a certain  
1169 amount of contact. There's going to be drinking and there's going to be a certain amount of  
1170 nudity. And when you put those three things together, we call them a Sexually Oriented  
1171 Business. Now beyond that, there are two lines that, that people can cross that – break the law.  
1172 One is you can violate the City's prohibition against fondling and caressing. And I'll be  
1173 perfectly honest with you, we've had number of internal debates as to what fondling is and  
1174 caressing is, but when you read some reports, the kinds of things that are going on are well  
1175 beyond a lap dance. And when that occurs, and it's open and notorious, the officers will submit  
1176 to us a violation for Erotic Dance establishment. That one is difficult to measure but again, if  
1177 you see some of the reports, I don't think there'll be much disagreement amongst the Council  
1178 members that there really is a level out there where we're well beyond the pale.  
1179 Prostitution is different. It's a very bright line. Are you going to accept cash for a sex act. And  
1180 officers go in and they will literally see if the girls will do that and if they do they will hook them  
1181 up and that is bright line that shouldn't exist in any club. It's perfectly policable; it's perfectly  
1182 preventable. Now, can every club owner know that they've hired a girl who's going to be good?  
1183 No, absolutely not. I wouldn't stand here and tell you that the Davaris are any better at looking a  
1184 dancer in the eye and knowing if she's going to commit an act of prostitution versus some owner  
35 of some other club. To a certain extent, it's going to be how you conduct yourself as a manager,  
1186 how you conduct yourself as a club, how strictly you deal with it, how quickly you warn people.  
1187 And so, we do place responsibility on managers, but can they read the minds of the people they  
1188 hire or know for a fact they're not going to commit it? No. But with that intro let me turn it over  
1189 to the Metropolitan Police Department.

1190

1191 **STACY RODD**

1192 Mayor and Council, just to touch on a couple of points and just to answer, to address some of the  
1193 things that were brought just a moment ago and that Mr. Jerbic addressed. And shortly  
1194 afterwards, I'll turn it over to Detective Loretto who is a large part of the enforcement activities  
1195 from our sections. And they actually go into the clubs and they actually conduct activities and

**CITY COUNCIL MEETING OF**  
**June 16, 2004**

**VERBATIM TRANSCRIPT – ITEM 78**

1196 document what happens there and some of the violations. So, I'm sure that Detective Loretto  
1197 will address some of that with you also.

1198 There are two points that struck me when Mr. Jerbic was speaking and I wanted to – highlight  
1199 these. Councilman Weekly asked, how do we hold owners or managers responsible. You  
1200 recognize, your ordinances recognize, your staff recognize that the ultimate accountability for  
1201 any of these businesses that we have before us, that you license, that you seek reports from us,  
1202 we take a look at people's suitability, all of those things come together. At the end, when you  
1203 issue a license to an individual or a group of individuals the understanding is, both on your end  
1204 on our end and hopefully on their end, that they are ultimately responsible for what happens in  
1205 their establishment. There's no one that you can point the finger at. There's no one else that you  
1206 can blame because you are the licensee, and it is your responsibility to make sure the violations  
1207 of law and violations of ordinances do not take place there. Now, in a perfect world, no  
1208 violations would take place. We understand that. We also understand we don't live in a perfect  
1209 world. But in this particular industry there is a propensity for this type of activity, reference  
1210 prostitution, reference illegal sex contacts or acts, and we all know that. We live in a real world.  
1211 It would occur to me, as a licensee, that I have a responsibility to step up my regulation of my  
1212 establishment to make sure that knowing that these things sometimes happen, that it's not going  
1213 to happen on my watch, and it's not going to happen at my place because ultimately it's my  
1214 license. I stand to lose and ultimately I'm going to be held responsible.

1215 That being said, I'm going to piggyback that onto another comment that was made, and a  
1216 question or issue that was brought up. We, as enforcement officers, welcomed the proposition of  
1217 a higher standard. We saw it as you did. That this is the mechanism by which we can bring  
1218 other clubs that may not be as compliant into compliance. We can set a standard according to  
1219 what's being offered up here by a new licensee who's going to bring a new day and a new way  
1220 for how these clubs operate. We welcome that as much as you did because we saw that as the  
1221 mechanism by which we could come back before you or you can call us before you and say, we  
1222 have an establishment here that is, in fact, creating a new way for operation for these types of  
1223 establishments. They are setting the standards, and they are doing well. They are honoring their  
1224 commitment. They are bringing us the means by which we can hold other people to the same  
1225 standard. We didn't single Treasures out. We have nothing against Treasures. We were looking  
Page 42 of 82

**CITY COUNCIL MEETING OF**  
**June 16, 2004**

**VERBATIM TRANSCRIPT – ITEM 78**

1226 at Treasures as the innovators and the pioneers to bring this new day about and that we can hold  
1227 them up in the light and we can say, you see, Treasures can do it, everyone else can to. The new  
1228 day is here, and we're going to have these clubs that are in compliance and everybody's going to  
1229 be happy with this. We're going to get the desired result. That is why, in part, Treasures became  
1230 the focus because we were looking for them to follow through with what they had committed to,  
1231 and then we can bring them back before you and say, it is accomplishable. We can get this done,  
1232 and Treasures is an example of that. We weren't able to do it, unfortunately; in fact, we found  
1233 the contrary. So, any representations that we were singling Treasures out or that we looked at  
1234 them solely, we looked at them because we thought they were going to bring a new day, and we  
1235 were hopeful just as you were. And with that –

1236

1237 **COUNCILMAN WEEKLY**

1238 Mayor Pro Tem?

1239

1240 **MAYOR PRO TEM REESE**

1241 Yes.

1242

1243 **COUNCILMAN WEEKLY**

44 Real quick. Officer Stacy, just, if you could answer for me, what's a new day and really,  
1245 realistically. And, I guess, my question would be, when we look at higher standards, the  
1246 business is the business and it is what it is. What – were we really looking for?

1247

1248 **STACY RODD**

1249 I think it's dangerous, and this is with all due respect –

1250

1251 **COUNCILMAN WEEKLY**

1252 Yes, sir.

1253

1254 **STACY RODD**

1255 -- Councilman.



**CITY COUNCIL MEETING OF**  
**June 16, 2004**

**VERBATIM TRANSCRIPT – ITEM 78**

1256 **COUNCILMAN WEEKLY**

1257 Yes, sir.

1258

1259 **STACY RODD**

1260 I think it's dangerous when we accept the business is what the business is. I think we stop  
1261 looking for a way to improve it, and I think we have kind of defeated our own selves or stepped  
1262 on our own foot when we say it's a sexually oriented business, these things are going to happen,  
1263 what can we do about it. I, as a proactive law enforcement officer and as a representative of  
1264 2500 other cops and a staff, a staff of administrators, we pride ourselves on being proactive and  
1265 trying to prevent things from happening that we know are illegal, immoral, or unethical. We're  
1266 not willing to accept, as law enforcement, that illegal things are going to take place and there's  
1267 really nothing we can do about it. We're going to do everything that we can. We're going to  
1268 investigate it; we're going to address it with criminal sanctions; we're going to bring it before the  
1269 court; we're going to bring it before you; we're going to address it with the owners and the  
1270 managers and explain to them what they're doing wrong and how they might address these  
1271 things. We, simply, are not willing to accept that these things are going to happen there. And  
1272 perhaps it's our shortcoming, but we are looking for that better day and that better way. We can  
1273 improve this industry, and we're not willing to conceive that these things are going to happen  
74 and there's nothing we're going to do about.

1275

1276 **COUNCILMAN WEEKLY**

1277 Okay. Thank you.

1278

1279 **COUNCILMAN BROWN**

1280 Mayor Pro Tem.

1281

1282 **MAYOR PRO TEM REESE**

1283 Councilman Brown?

1284

**CITY COUNCIL MEETING OF**  
**June 16, 2004**

**VERBATIM TRANSCRIPT – ITEM 78**

1284 **COUNCILMAN BROWN**

1285 If I may? It's the right time to bring this up, and I think this has been hinted at for the last three  
1286 years we've been addressing this license, but you bring up a great point. The industry, which we  
1287 have been informed, is protected constitutionally, so somewhere in this town it's going to  
1288 happen. The alcohol is a separate issue. But we've all learned, perhaps a lot more than we  
1289 wanted to learn about it, and one of the things that has become very, very obvious, and this is in  
1290 response to your comments, is we may not being, we as a City Council may not be doing enough  
1291 to allow you to do your job as effectively as you can do it. And for instance, I think certainly  
1292 this may be personal, but at the top of the list we don't want drugs in these clubs. I don't know if  
1293 that was part of the statistics, but it seems that you're doing a great job, Metro's doing a great job  
1294 keeping the drugs out of these clubs. Prostitution, whether it's the profile that this club has  
1295 received or just a stronger message from the Council and Metro, prostitution seems to be down,  
1296 at least this year. Those two, by matter of course, is a great success and attribute to your group  
1297 and detective, your group that's involved everyday. But when we start looking at this Erotic  
1298 Dance or the touching and all that, go back to 2001, there was a clear distinction made in Las  
1299 Vegas. We have a no distance separation, and yet other cities have 3, 6, and 10 foot separations  
1300 and at least the 6-foot, by record, as been upheld as constitutional.

1301 So, this is a bigger issue, and it's one that I tried to raise earlier, that there are bigger issue than  
1302 what's before us today, and I would like, as a separate result of today's activities, to start looking  
1303 into that. Industry may not want to hear it, and if it's part of Las Vegas, I agree. Maybe, we  
1304 should take a closer look at what we deem for the general welfare and morality and all that, what  
1305 would be appropriate for Las Vegas under the constitutional of guidelines. And that has become  
1306 very evident, statistically. And I don't see how the detectives can do their job if there's a no  
1307 separation. It's going to come down to discretion and experience and seeing the difference, and  
1308 one of the things that has come out in the public record and in just about every document that  
1309 I've reviewed, is a lot of it comes down to what you've indicated. The club's willingness to  
1310 work with Metro, and I'm not sure if that's the legal question we're deciding today, as far as  
1311 suitability, but from a common sense stand point, if a detective's in there, club knows they're in  
1312 there, and the management of that club is saying, hey good luck, we're not helping you out, then

**CITY COUNCIL MEETING OF**  
**June 16, 2004**

**VERBATIM TRANSCRIPT – ITEM 78**

1313 we're going to have a means to shut them down today. That's – where I see one of the  
1314 fundamental problems or challenges for Metro, is to go in and not get any cooperation.

1315

1316 **STACY ROD**

1317 And you hit the nail right on the head. That is a very key factor in how enforcement and  
1318 activities that take place there are addressed. That's very important, and we will welcome those  
1319 discussions.

1320

1321 **COUNCILMAN BROWN**

1322 We – have – to because all these other issues we're dealing with seems to come full circle.  
1323 You're not, well, separate from the strong direction from the Council to take a hard look at  
1324 Treasures, and they welcomed it, whether they were strong-armed or whether they offered it,  
1325 that's semantics. But I don't think we're giving you the tools to go in and accomplish your goal.  
1326 Because you've said you're not going out looking for any club. You're enforcing our ordinances  
1327 and from what I see, the ordinances that are obvious, the prostitution, the drugs, Metro's got high  
1328 marks. It's this gray area, this no distance separation and the specific activities. We're not  
1329 giving the officers a chance to do their job. And that discretion, again from my perspective, an  
1330 officer is going to, probably go into a club, notify them they're there and look for help and some  
31 clubs, obviously by these statistics, are not cooperating.

1332

1333 **JIM DiFIORE**

1334 Councilman, one comment on that point. About two and a half years ago I did meet with the  
1335 industry. We did propose a draft ordinance to amend the current ordinance, with regard to  
1336 regulation of Erotic Dance. It didn't go forward. There were some concerns by the industry at  
1337 that time, by the dancers and their own industry at that time, as well. Clark County did go  
1338 forward with a, an amendment to their Erotic Dance. We simply, for the last two and a half  
1339 years, have been enforcing the current standards that we do have. About six months ago we  
1340 believe that we had the same concerns that you did with regards to the gray area. We met with  
1341 Clark County officials, and for about the last four and a half months we have been meeting once  
1342 a month to look at our Erotic Dance standards in both jurisdictions, and we're working towards a  
Page 46 of 82

**CITY COUNCIL MEETING OF**  
**June 16, 2004**

**VERBATIM TRANSCRIPT – ITEM 78**

1343 unified Erotic Dance Code. Whether this means we'll have a distance separation or we'll have  
1344 more specific language to make it easier for the club and the industry to understand what the  
1345 violations are and for Metro and business licensing to understand what the violations are, that's  
1346 the common goal that we have.

1347 Additionally, we find the dancers are dancing in Clark County, and they're dancing in Las  
1348 Vegas. Now, quite frankly, in some cases they get confused or they say they get confused on  
1349 what's allowed in the City and what's allowed in the County. I think the standards are, they, we  
1350 attempt to address them consistently as much as possible. I know the detectives that enforce this  
1351 probably use the same standards when they're in a county location as well when they're in a City  
1352 location, and we just need to have the language there in both jurisdictions because it's a common  
1353 fact day in and day out that you have a dancer dancing here at one club and dancing at a County  
1354 club maybe the same day. So, we are moving – toward having some amendments to our code,  
1355 and hopefully we'll have the County on board, and we'll be able to come before the County  
1356 Commission for theirs and the City Council for ours for us to clear it up.

1357

1358 **COUNCILMAN BROWN**

1359 And Metro is involved in that dialogue --

1360

51 **JIM DiFIORE**

1362 Absolutely.

1363

1364 **COUNCILMAN BROWN**

1365 -- as far as that. Oh, I just, it's a situation that and perhaps it's a wake-up call for the industry. I  
1366 just don't see how we, Metro in particular, can go in under the current guidelines and – try to  
1367 accomplish the efficiency, as far as protecting the general welfare. Especially when a lot of these  
1368 reports are coming back saying they're not getting cooperation. If the clubs aren't willing to step  
1369 up and help Metro and help the City police this industry, then they're going to pay the price of  
1370 having the City come in and tell them how we are going to police the industry. And that's  
1371 always, it's always a fine line. But certainly, I appreciate that. Thank you, Mayor Pro Tem.

1372

**CITY COUNCIL MEETING OF**  
**June 16, 2004**

**VERBATIM TRANSCRIPT – ITEM 78**

1372 **MAYOR PRO TEM REESE**

1373 Thank you.

1374

1375 **JOHN LORETTO**

1376 Mayor Pro Tem, Council.

1377

1378 **MAYOR PRO TEM REESE**

1379 Mr. Loretto.

1380

1381 **JOHN LORETTO**

1382 Mayor Pro Tem, Council, I'm detective John Loretto again. I've been before you on the same  
1383 matter. I don't really know where to begin except for maybe the original report. We, as  
1384 Councilman Brown has said, there's a bunch of subplots here that I don't really know how to get  
1385 into all of 'em. They don't necessarily effect the police department. Can you hear me now?  
1386 But, as far as the original report goes, the attorneys have brought up that this thing is several  
1387 years old now. We don't have the ability now to fly back to Texas and reinvestigate them. I  
1388 think the report was pretty explanatory to begin with. It was definitely what our job was that's  
1389 what we did when we produced it. And then to follow up on March 17<sup>th</sup>, we didn't put any  
1390 words into this Council meeting that said anything about raising the bar or anything else. That  
1391 was the other side that did that. That wasn't us. We produced a report, again, that was just  
1392 factual. We told you what was wrong with the business. We didn't come out here and compare  
1393 it to every other business. We reported on that business alone. You've asked us, now, to bring  
1394 before you a report that I didn't produce. The City and the City Attorney's Office actually went  
1395 through and produced, and you can clearly see that there is no raising the bar, which we've  
1396 agreed was a term that, you know, might be hard for an industry to uphold. But if they would  
1397 have said that to begin with, we cannot raise the bar, is that something that the board would have  
1398 approved at that time? That's a question that you might want to think about, instead of all these  
1399 other subplots. It's clear to me, though, that there's no way the Las Vegas Metropolitan Police  
1400 Department has the time or the manpower to target any one club. And I would like to say that,  
1401 yes, we're very, very proud of all these clubs for not having any vice arrest because there is not

Page 48 of 82

**CITY COUNCIL MEETING OF**  
**June 16, 2004**

**VERBATIM TRANSCRIPT – ITEM 78**

1402 prostitution occurring. But we spoke with the Lieutenant of the Vice Section and referenced  
1403 Treasures. Again, I'm not talking about all the other clubs. Vice hasn't been back in there. So,  
1404 to sit here, I'm just trying to give you all the facts again. I can't say there is no prostitution  
1405 occurring there, just like I'm not going to tell you there is. Our vice section has not been in  
1406 there.

1407 I work in the Special Investigation section. Each one of these managers, the security personnel  
1408 that worked the front door, I don't know if you've seen the front of Treasures. It's very hard for  
1409 us to get anywhere near that front door before they know we're there. I don't go in in a suit and  
1410 tie. I wear casual clothes to conceal my police identity from the patron so we can walk through  
1411 the club. But if they don't know who we are at the door, I don't pay a cover to get in. I badge  
1412 'em, and we walk right in the club. You got a front area that you gotta go through before you  
1413 can get in to see any activity in the club. This isn't something that we just go in and try to target  
1414 this place and say, we're going to get it shut down, or we're going to do this. We go in as we're  
1415 requested to go in and do enforcement activities. We've been doing those enforcement activities  
1416 with your own City director here of the Business License, or manager I should say. And back to  
1417 the vice thing, they have several more pressing issues other than just these clubs, and as far as we  
1418 go for vice, I don't go in there and try to get prostitution arrests. That's not my job. I go in there  
1419 and look for violations of the code that we're required to enforce. Vice, as you know, does street  
20 prostitutions; they do the hotels; they're responsible for a wide variety in the whole valley of vice  
1421 enforcement. So, to say that all these clubs are cleaned up and that's why there's none, I think is  
1422 an inaccurate representation.

1423 One of the other things back to the cooperation of the club, as of recently we were in to  
1424 Treasures last Friday night. Again, we had some violations of Erotic Dance, and again,  
1425 obviously, those haven't been found in Court to be guilty or innocent yet or anything else. But  
1426 the thing that I found very interesting is that they now have a new classification of employee,  
1427 which they call a Compliance Officer. But the thing I found insulting is that everyone of those  
1428 people at that club have my business card, my sergeant's business card, the City Business  
1429 License; they know how to get a hold of them. But nobody bothered to call us and say, hey does  
1430 this fall under security? Would they be required to have an Alcohol Awareness Card? And they  
1431 said, well, we know they're required to have a Sheriff's card so they got those. Well, they're  
Page 49 of 82

**CITY COUNCIL MEETING OF**  
**June 16, 2004**

**VERBATIM TRANSCRIPT – ITEM 78**

1432 security guards. Call it any way you want, doorman, bouncer, whatever; they're security guards;  
1433 they're required to have the Alcohol Awareness card. That, to me, is shows that this club is  
1434 kinda doing what they want to do when they have our phone numbers to call. We're not the bad  
1435 guy. We're here to help. We're here to bring people within compliance, not to shut people  
1436 down. We all know this is Vegas. We talked about a six-foot rule, a three-foot rule and  
1437 everything else. It's Vegas. We, when we sat down with the County and when we've talked  
1438 with the City, we kept that in mind. We go in and enforce the extreme violations. I don't go in  
1439 and write a citation because some girl is brushed against some guy's arm. We're talking about  
1440 groin to groin contact, breast to groin, buttocks to groin; it's something that I can't say is a  
1441 prostitution act because I'm not involved in their conversation. But, I can say it violates the code  
1442 because it's fondling and caressing in a sexual way. There's no doubt in my mind that that's  
1443 exactly what's occurring. And again, we're not going for the incidental touching and contact,  
1444 which some people may portray as that's what goes on. Because, we understand there's going to  
1445 be contact. We understand that there's going to be people sitting on people's laps in these clubs,  
1446 but it's the active entertainment dance, whatever you want to call it, that goes on with direct  
1447 contact that can't be anything other than in a sexual way. That's what we cite for.

1448 Also, to tell you a little bit about our team. We're not a 30, 40-man task force that goes out to  
1449 these clubs. We are three detectives and one sergeant on the swing shift enforcement. Our  
1450 responsibilities are everything that is regulated or privileged license. Excuse me. We also  
1451 respond for whatever officers from a patrol substation call and ask us for help. This isn't the  
1452 only thing we do. I mean our – enforcement responsibilities are huge, and this is tasking so, I  
1453 agree with you, when something else has to be done, and that's why we work with Mr. DiFiore's  
1454 office and he brings his guys because then we're up to five people.

1455 Um, the new day that you had talked about Councilman Weekly; there's several things that have  
1456 gone on that Mr. DiFiore's already alluded to. We're also looking at licensing the dancers. We  
1457 don't just, you guys don't license the liquor license employee and throw them out there to the  
1458 wolves and say fend for yourselves. I think, we, as a police department and as Business License  
1459 equally work with the employer or licensee in an attempt to, how can we help correct this  
1460 industry. I don't think anybody really wanted to look at a six-foot rule to begin with. I think  
1461 what we wanted to say is the code is fine the way it is. If we can get management and licensee to

Page 50 of 82

**CITY COUNCIL MEETING OF**  
**June 16, 2004**

**VERBATIM TRANSCRIPT – ITEM 78**

1462 actively enforce the code in their own business, not to see something different when we walk in  
1463 there and have people running around saying, hey the police are here, knock that off. But, we  
1464 look for licensing the dancers. So, now if a dancer violates, she can't go work at the club down  
1465 the street because we haven't fixed anything. We just got her fired from one business, and she  
1466 went to another one. So we're working that the codes in the City and County are equal so  
1467 everybody across the board, because they're so intertwined, have the same idea what's going on,  
1468 and that the dancers can't just jump from club to club to club if they've been violated in one  
1469 club. We're also personally working on, if a dancer is issued a citation, we also issue her a  
1470 noncompliance, which says, you are formally told, right now today, if you are seen doing this act  
1471 again we will revoke your Sheriff's card. So she can't come before us and say well, I didn't  
1472 know what the codes were.

1473 And, my point beyond that, is that the police department is trying to work with the business  
1474 owners and do our part and not say it's not, it's your problem alone, we're not going to help you  
1475 fix it. We're trying to do our part and that's what we think our enforcement there is, but when  
1476 we are greeted by the club as, you know, going around telling people the police are there, that's  
1477 not the cooperation we want to receive from them. Um, I guess I can answer any questions that  
1478 you have, because the other things don't really apply to us, the temporary, and the promise and  
1479 all the other stuff.

30

1481 **MAYOR PRO TEM REESE**

1482 Thank you. Councilman Brown?

1483

1484 **COUNCILMAN BROWN**

1485 Detective you bring up a good point. Just how many dancers do we think are in the City of Las  
1486 Vegas?

1487

1488 **JOHN LORETTO**

1489 I, somewhere in the 10,000, I would say.

1490



**CITY COUNCIL MEETING OF**  
**June 16, 2004**

**VERBATIM TRANSCRIPT – ITEM 78**

1490 **JIM DiFIORE**

1491 We've heard figures from four to ten thousand. And, you know, we have not only local dancers  
1492 here, but we have quite a few that fly in for the weekend from out of state. And they use this as a  
1493 weekend job.

1494

1495 **COUNCILMAN BROWN**

1496 And currently they, even those from out of town, all they need is a Sheriff's card?

1497

1498 **JIM DiFIORE**

1499 That's correct.

1500

1501 **COUNCILMAN BROWN**

1502 So, one of the things that we're discussing, as far as licensing the individual dancers.

1503

1504 **JIM DiFIORE**

1505 That's correct.

1506

1507 **COUNCILMAN BROWN**

1508 'Cause if they're not, and again, this is something else that I've just learned today. If the  
1509 numbers are four to ten thousand and even with the limited manpower, perhaps it's not systemic  
1510 as much as there's a certain core of dancers that are going to do whatever they can get away  
1511 with.

1512

1513 **JIM DiFIORE**

1514 That's absolutely correct. I think that with all of the, with the volume of numbers of dancers that  
1515 we encounter, you might have somebody coming in from out of town for the weekend who may  
1516 be unfamiliar with our codes and, certainly, operating under a different standard wherever they  
1517 come from. And a lot of times, I would imagine, that they can come in and violate the code and  
1518 not even know that they're violating the code. But, I think Detective Loretto hit on it. When a  
1519 citation is issued, it is explained thoroughly; and I've done this myself. We've explained  
Page 52 of 82

**CITY COUNCIL MEETING OF**  
**June 16, 2004**

**VERBATIM TRANSCRIPT – ITEM 78**

1520 thoroughly what the violation is and what we observed and what they're going to go to court for.  
1521 So, the noncompliance notices that they get and they receive, there's no way they can refute that  
1522 nobody ever told me. So, the second time around, I didn't know what I was doing or was in  
1523 violation of the code.

1524

1525 **JOHN LORETTO**

1526 If I can also touch on one other thing I left out. If you refer to the packet that the city attorney  
1527 gave you from Houston, where the front of it has the Insurance Fraud Code. Page five, which is  
1528 something that just came up, of the actual search warrant affidavit and the reason why I bring  
29 this up is 'cause, Mr. Fiorentin (sic), if I pronounce that right, wanted to make sure that he knew  
1530 everything that was going to be coming up. When I was reading over this, page five of the  
1531 affidavit, which is I believe page ten of the fax number across the top, the second paragraph  
1532 down talks about cash transaction reports that were filed by Hassan and Ali Davari. I called back  
1533 to the office and had them review their personal history questionnaire that they originally filed  
1534 with us, and both of them had checked "no" on having filed a Cash Transaction Report, ever. So  
1535 that's something we're going to be looking into that is new information on top of everything else  
1536 you guys have to ponder.

1537

38 **MAYOR PRO TEM REESE**

1539 Any other questions for Mr. Loretto? While Metro is still here I just want to make a couple  
1540 comments in regards to Metro. I, certainly, appreciate the nine years that I spent up here, the job  
1541 that Metro does and going out. And I have told many, many people, we never set them out as a  
1542 targeting anybody. They're going out there and doing a job that the City Council has requested  
1543 that you do, as well as our own City staff, and I compliment you on your due diligence, the jobs  
1544 that you do for us, and reports that you bring back to us on many, many different subjects and  
1545 stuff. I think they're extraordinary, and I, certainly, appreciate the ability that you give me to  
1546 make a substantial decision. So, thank you for being here today.

1547

1548 **JOHN LORETTO**

1549 We appreciate that.

**CITY COUNCIL MEETING OF**  
**June 16, 2004**

**VERBATIM TRANSCRIPT – ITEM 78**

1550 **MAYOR PRO TEM REESE**

1551 Thank you. Mr. DiFiore.

1552

1553 **JIM DiFIORE**

1554 Mayor Pro Tem and members of the Council, I'll entertain any other questions you may have at  
1555 this point in time or any direction that you would like to see at this point in time.

1556

1557 **MAYOR PRO TEM REESE**

1558 Council members. No questions? We'll give you time to rebut. Mr. Fiorentino.

59

1560 **MARK FIORENTINO**

1561 Mayor Pro Tem, I'm sorry, Mayor Pro Tem, members of the Council, again Mark Fiorentino  
1562 representing –

1563

1564 **MAYOR PRO TEM REESE**

1565 Are these all the same?

1566

1567 **MARK FIORENTINO**

58 -- D. Westwood Inc. We're going to work from that booklet that I submitted to you. There's  
1569 plenty of copies for everybody. If there's not, I think, we even have a few more in the back. Mr.  
1570 DiFiore should have one if you have an extra one; if not we got more. Maybe, while that's being  
1571 distributed, I can start with a couple of preliminary comments. First, on the issue of temporary  
1572 license. This has been an emotional application and process for all of us. And, I want to make it  
1573 clear that I did not, in any way, mean to indicate that I thought Mr. DiFiore was doing something  
1574 different here or treating us differently. But I do have a job to do, and if that's going to have  
1575 legal significance I had to do everything I can. I'm satisfied with his answer and I'm satisfied  
1576 with what we said before. It's ultimately, no matter what you call the license, going to come  
1577 back to the same decision for you whether it's today or 30 days from now or right before the 60  
1578 days expires.

**CITY COUNCIL MEETING OF**  
**June 16, 2004**

**VERBATIM TRANSCRIPT – ITEM 78**

1579 With respect to Metro, there is no question that they are doing their job, and there is no question  
1580 that in some of the frustration that's come out in this case, I may not have been clear in saying  
1581 that before. I personally have no doubt, I have no question, I should say, in my mind, about  
1582 whether they are treating people the same or differently in one club or another. Their job is  
1583 impossible to do, and I would never make an allegation that they are doing something different,  
1584 that Metro or Mr. DiFiore is doing anything different in Treasures than they are in other clubs.  
1585 As an indication of how impossible their job is, three of the Erotic Dance Code violations that,  
1586 citations that were issued in the Treasures establishment, since we first opened, have already  
1587 gone to trial; two of them resulted in not guilty results. So obviously, at least in that case, one  
1588 person disagreed with whether this crossed the line that everybody in this room should concede  
1589 is an impossible line to interpret. You've been talking about it now for a half an hour. But they  
1590 absolutely do their job, and, I think, they focused me where I wanted to be focused on the rest of  
1591 this presentation, which is the real question and what we really should have made clear years ago  
1592 about what we could do. What could the Davaris do to try to stop these issues up front?

1593 And, I will say again and then ask maybe at the end, 'cause you've invited me the opportunity to  
1594 ask questions of those at the end, but I'm going to say at the beginning so they can formulate an  
1595 answer if they want. There's no question that the allegations of the conduct that was occurring  
1596 or alleged to be occurring in the Houston clubs years ago was very serious allegations. I have  
97 not, in any of the reports Metro has done or any of my own investigation or the investigation of  
1598 the consultants we have hired, have found any indication that that kind of conduct is occurring at  
1599 any level of, in Treasures today, and if it is, then somebody should say it. That's different than  
1600 the Erotic Dance Code violations. Let's go through this book. I do want to go through it in  
1601 detail 'cause I do think it's important. The first page is just a, an outline and then there are tabs  
1602 that follow, that provide further information on the outline. We're not going to spend any time  
1603 on the outline, just a second. But the first tab is a summary of the compliance measures we have  
1604 been doing in Treasures. We have invited, repeatedly, Mr. DiFiore and Metro to look at these  
1605 measures to tell us if there are things that need to be done differently, and, in fact, this list has  
1606 changed. It changed from the day we opened to the day we were here in March 'til today. We  
1607 have repeatedly modified it and added things to it because that is the single most critical thing

**CITY COUNCIL MEETING OF**  
**June 16, 2004**

**VERBATIM TRANSCRIPT – ITEM 78**

1608 that we can do. It's the one thing in this process we control, is what are we doing in this club to  
1609 try to prevent unpreventable activity. So lets go through these.

1610 The first is the that, we developed a compliance manual that details in detail what happens if you  
1611 are either a dancer, an employee of this club, and you are involved in violations. What's going  
1612 to happen to you? It sets out what happens on the first offense, the second, and the third offense.

1613 We gave these compliance manuals, again, to Mr. DiFiore and to Metro before the club opened  
1614 and asked them to give us input. If fact they did and made changes. That is still a growing  
1615 document. We've made changes in the last couple of months to continue to try to improve it.

1616 But, I want to say this, I should have said this at the beginning. Second question I want to ask,  
1617 I've asked it repeatedly, and I think I know the answer. To the best of my knowledge,

1618 everything listed on this page and a half that we are doing in Treasures to try to avoid this  
1619 problem up front is unique to Treasures. Treasures is the only club in town taking these

1620 measures. Again, whether these measures are actually producing results or not, we're going to  
1621 get into, but they're the only club to the best of my knowledge, that are doing any of these things.

1622 So, behind tab two, you have the compliance manual. Everybody's got to sign this and – there's  
1623 got to be something in their file showing that they've read it. We also developed separate

1624 regulations for management and dancers and different employees. Got to sign it; a copy of your  
1625 signature has got to go in your file. Now, if Metro audited the files, no question they would find

1626 in the first couple of months we were open that not every person's files as a signature in it. But  
1627 if they audited the files in the last six months they would find that. We require all of the dancers

1628 to enter into a written contract with us; I don't know whether that particular part is unique or not.  
1629 But two things that I'm pretty sure are unique is they have to consent, in writing, to background

1630 checks. And we have, in fact, been doing background checks. We run background checks on all  
1631 of the managers and on the dancers after they have achieved a certain level of appearances in the

1632 club. In other words it doesn't, it's impossible, or impracticable, I should say, if a woman flies  
1633 in from San Francisco and she's only here one night to run a background on her, but once

1634 they've achieved a certain level of activity on the club, we run background checks on them. We  
1635 provided information to the Treasures management on what we found in those background

1636 checks. As a result of them, there were a number of suspensions and at least one termination.

1637

**CITY COUNCIL MEETING OF**  
**June 16, 2004**

**VERBATIM TRANSCRIPT – ITEM 78**

1637     **MAYOR PRO TEM REESE**

1638     Just, I've got a quick question. Did you say that the girl flies in from San Francisco or from New  
1639     Orleans and she's not checked out, you know, they don't make any applications or whatever so –  
1640

1641     **MARK FIORENTINO**

1642     No, no, no, no. I'm sorry Mayor Pro Tem. No. They have to make an application, they have to  
1643     sign their employment contract, and they have to sign all the compliance manuals and so forth.  
1644     But what we don't necessarily do is conduct a separate background check on her, whether she  
1645     has a criminal record or not. We only do that once the dancer has shown that she's gonna, is a  
1646     regular performer in the club. And we have conducted, I think, 200 separate background  
1647     investigations now.

1648

1649     **MAYOR PRO TEM REESE**

1650     Well, yeah, but to me a lady flying in from New Orleans might be the ones that are causing the  
1651     problems and stuff.

1652

1653     **MARK FIORENTINO**

1654     It could be and, in fact, if you've flown in from New Orleans and you've been in the clubs a  
1655     couple of times so that we know there's even a reason to do it, and maybe Mr. Dillard can speak  
1656     to this if I'm not saying this right, but if – it's a person who's only been in the club once, doing  
1657     the background check would be irrelevant cause it takes them three or four days to do it. So, by  
1658     the time you got the information back, it's irrelevant.

1659

1660     **MAYOR PRO TEM REESE**

1661     Okay. All I'm asking is, maybe I'm not answering the question correctly. Okay. To me, if I'm  
1662     going to hire somebody, I'm going to know whether they was arrested for prostitution three years  
1663     ago before I hire them.

1664

**CITY COUNCIL MEETING OF**  
**June 16, 2004**

**VERBATIM TRANSCRIPT – ITEM 78**

1664   **MARK FIORENTINO**

1665   Well yes, and in this industry you have at least some indication when you hire them because they  
1666   have to have a Sheriff's card. And the Sheriff does a background check. So, you have some  
1667   indication that they don't have a criminal activity that would have resulted in the level of the  
1668   Sheriff not issuing them a card. You don't have a complete record, and what we've done on  
1669   them is gone back and done a complete record. As a result of those background checks, I think  
1670   the major point is, they have issued suspensions and they have terminated at least one, based on  
1671   what they found in the background checks. They also have to consent to random drug searches  
1672   in Treasures, and I'm going to get back to that in a minute. Treasures keeps a complete log of  
1673   every citation issued in the club and what they did in response to it. That rec, those records are  
1674   open and available to – Mr. DiFiore, anybody on his staff, Metro and anybody on their staff that  
1675   wants to review it. They maintain, and this is behind tab four, a complete log of every time they  
1676   warned a dancer that they thought her conduct was approaching a violation of the Erotic Dance  
1677   Code. Now, we would have, if you want, I don't think we brought it with me, this is like 14  
1678   pages. They keep a complete log; the dancer's name, the date, who issued the action, and what  
1679   was taken. And you can see they range from a verbal warning, a tap on the shoulder, the firing  
1680   of a laser pen so they indicate they know that there's a problem, to people being suspended,  
1681   people being removed from the club for repeated offenses.

32   If you wanted the complete background for this, they actually have their hand written notes of  
1683   how they observed what happened. And then we asked them, though, to take those and produce  
1684   a log, so they maintain this log. We, also, have behind tab nine a complete record of all of the  
1685   disciplinary actions taken against anybody related to Treasures. When I say that, I mean either  
1686   employee or an independent contractor. Again the date, the name of the person, what the  
1687   problem was, and what happened. If you take the time to read this you will see people have been  
1688   terminated; people have been suspended; people have been removed from the club; people have  
1689   been placed on probation. Pages and pages so that if there should be no question. If you want to  
1690   know, what did you do to respond to these violations we issued in your club, you can go into  
1691   these records and see what we did and it's all in conformance with the compliance manual we  
1692   did up front. We set a set of procedures and told the dancers what would happen.

**CITY COUNCIL MEETING OF**  
**June 16, 2004**

**VERBATIM TRANSCRIPT – ITEM 78**

1693 Behind tab seven, we placed notices in the clubs regard warning both patrons and dancers of  
1694 illegal drug use would not be tolerated and that other violations of the code and prostitution  
1695 would not be tolerated. There are cards placed on every table in the club; there are signs posted  
1696 in the locker room and other facilities for the dancers and where employees have to go in and out  
1697 of. Again, the table cards are relatively recent. If you ask me were they there in September, the  
1698 answer is they wasn't. There was some issues with printing them, and then when they got  
1699 printed and we reviewed them, we said that's not what we told you to put on them; there was a  
1700 mistake, and so, but they are there now. If you go in there now, there are those table cards.

1701 We have implemented, this is behind tab eight, our own random drug searches of the facility  
02 utilizing a certified drug dog. No one knows when the dog is going to be in the club, except Mr.  
1703 Davari. There is no forewarning. It is coordinated through Mr. Dillard, who we hired to help us  
1704 do the compliance in here. Two drug sweeps through the club; they found nothing in either  
1705 event. If you want to know the certifications or the qualifications of the dog, again, to the best of  
1706 my knowledge, no one else is doing anything remotely close to that. Going to the second page of  
1707 the outline, there's a policy that prohibits the entertainers from leaving the establishment with  
1708 any patron. The reason we did that is because Metro told us that's how you get into prostitution.  
1709 If you don't let them leave with customers, then you substantially reduce the opportunities that  
1710 that can occur. There have been numerous, no, I shouldn't say numerous, I should say whenever  
11 that has occurred to the best of my knowledge, you will see if you go through the – log of  
1712 disciplinary action taken, that people had been disciplined for violating that policy. They  
1713 established a one-foot-on-the-floor rule so that the dancers, at all times during their performance,  
1714 have to keep a foot on the floor. If you go in the club right now, could I promise you all of the  
1715 dancers are complying with that? The answer is no, I could not promise you that. But it gave us  
1716 at least a tool to try to take some of the gray area out of it because it's very difficult to do things  
1717 you shouldn't be doing if one of your feet is on the floor. We have, as I understand it, a state of  
1718 the art and unique computerized system that – scans the entertainer's fingerprints. So they, and  
1719 it's a complete, complete computer log of whenever they enter and exit the club, even if they exit  
1720 it in the middle of their shift and came back. Again, a powerful tool, I would submit, if anybody  
1721 wants to use it, if you want to see exactly what people are doing, whether it's Metro using the  
1722 tool or management using the tool.

Page 59 of 82



**CITY COUNCIL MEETING OF**  
**June 16, 2004**

**VERBATIM TRANSCRIPT – ITEM 78**

1723 We did hire compliance officers. Again, trying to respond to an objection I thought I heard last  
1724 time from Metro, which is, the floor hosts and the managers aren't doing a good enough job of  
1725 warning the dancers about dance code violations. So, me and Mr. Rowe came up with this idea  
1726 on our own. Well, what can we do about that? Well, why don't we go hire people whose only  
1727 job, they don't seat people; they don't serve cocktails; their only job is to walk around the  
1728 establishment with a laser pen or some other mechanism to warn dancers. And absolutely true,  
1729 although I think I wouldn't swear to it, we told Mr. DiFiore we were doing that, and it's  
1730 absolutely true that I don't think I told Detective Loretto that we did. And he's absolutely right;  
1731 he shouldn't, we shouldn't have to check with him and say, hey, do these people need Alcohol  
32 Awareness Training cards. He's right. They needed those cards. We should've advised them to  
1733 go get the cards. We didn't think of it, but we hired the compliance officers for a, we think, a  
1734 bigger issue. They're going to go get their Alcohol Awareness Training even though they don't  
1735 – yes, Councilman.

1736

1737 **COUNCILMAN WEEKLY**

1738 How often, Mr. Fiorentino, is your compliant officer on site?

1739

1740 **MARK FIORENTINO**

41 As I understand it, and I will ask them to correct me if I am wrong, there is, there are multiple  
1742 ones on site at all times that the place is open. That is correct. They're nodding that is correct.

1743

1744 **COUNCILMAN WEEKLY**

1745 And Detective Loretto indicated that at times when he's come on property and he's badged the  
1746 security officer upon entering the establishment, I guess employees are alerted that Metro's on  
1747 site.

1748

1749 **MARK FIORENTINO**

1750 He's said that before in his report in March. And I'm not going to dispute that that occurs, but  
1751 again, Metro doesn't dispute that. They don't hide it. They come in a say we're here. And let  
1752 me address that maybe a little bit more directly.

**CITY COUNCIL MEETING OF**  
**June 16, 2004**

**VERBATIM TRANSCRIPT – ITEM 78**

1753 **COUNCILMAN WEEKLY**

1754 And the only reason I ask you that, Mr. Fiorentino, in that being that Treasures has taken these  
1755 drastic measures to be a step above the rest –

1756

1757 **MARK FIORENTINO**

1758 Right.

1759

1760 **COUNCILMAN WEEKLY**

1761 -- to try and be in compliance with the ordinances that were given to you all, and to live up to the  
62 agreements that you all indicated in the initial beginning of this, why would they even do that if  
1763 we were doing the right thing inside of Treasures anyway?

1764

1765 **MARK FIORENTINO**

1766 You know what, I don't have a great answer for you, but I do have an answer.

1767

1768 **COUNCILMAN WEEKLY**

1769 Okay.

1770

71 **MARK FIORENTINO**

1772 The on the site managers of this facility, it is no question the first few months it was open, did  
1773 not have a very good communication with Metro and did not have a very good working  
1774 relationship with Metro. In fact, and I may have caused some of this, Metro told me privately  
1775 that one of the things, and I think Mr. DiFiore even testified to this in our last hearing, one of the  
1776 things that really bothered them was that when they were in the club, no one was taking any, they  
1777 could sit and watch the managers not taking any action to prevent Erotic Dance Code violations,  
1778 that they would literally watch for minutes before anybody did anything. So, I brought the  
1779 hammer down. I said, what? Are you guys stupid? If you know Mr. DiFiore is in the club, you  
1780 should be doing everything you can to show him that we're doing these things that I'm going to  
1781 talk to the Council about. And, so I think there may have been some overreaction to that. But, I  
1782 hope again, and this was a point of great frustration for me last time, because I took it personally  
Page 61 of 82

**CITY COUNCIL MEETING OF**  
**June 16, 2004**

**VERBATIM TRANSCRIPT – ITEM 78**

1783 early on, the Dennis Rodman incident, which had nothing to do with sexual misconduct, but it  
1784 was an ongoing Metro investigation. There were managers involved in that case who initially  
1785 refused to give Metro information they were asking for. I called Mr. Davari on the phone  
1786 immediately and said, I quit. You need to put an end to that. There is no reasonable explanation  
1787 for not cooperating with Metro on an ongoing investigation. It will never happen again, or else  
1788 I'm done. And then I didn't, I did one other thing, and they did a thing. They suspended two of  
1789 the people involved, and they ultimately terminated one of them because they were still having a  
1790 problem with them. But I called Metro and I made the same commitment to them. I said, I'm  
1791 not going to put up with that. And if you're still having that kind of problem where people aren't  
92 giving you stuff when you asked for it, then – call me. And I hope that, as we've progressed,  
1793 they've gotten much better at that. I've heard no allegations that they're refusing to give them  
1794 information. But everybody's been on there, there's no question. If you're a dancer in that club,  
1795 you're on your toes. And if Metro's in the building, you're going to say Metro's in the building.  
1796 We're having hours worth of public debate about everybody's watching so again. But that is not  
1797 an excuse for Metro's in the building, we need to start hiding stuff. And if that's occurring then  
1798 you should not tolerate it.

1799

1800 **COUNCILMAN WEEKLY**

1801 Right.

1802

1803 **MARK FIORENTINO**

1804 We talked a little bit about the laser pens. Again, this was actually Mr. Davari's idea of  
1805 something they had done in Houston. A lot of it, allegations of customers and dancers with the  
1806 problem and enforcing the code is it's sort of embarrassing to go up to the customer and stop  
1807 activity. And so, they instituted the use, not in every case 'cause they still, as you see it from the  
1808 log, they still tap or they still pull people aside, but they're using laser pens so that they can shoot  
1809 a dot on the chair of the patron so that only the dancer can see it. So she's been warned, but the  
1810 patron hasn't been put in some uncomfortable position. Ironically enough, when I first came  
1811 here, I said, we're the only ones doing that, and it's my understanding there are a couple of other  
1812 clubs in town that are now doing that. But I don't know whether that is true or not.

**CITY COUNCIL MEETING OF**  
**June 16, 2004**

**VERBATIM TRANSCRIPT – ITEM 78**

1813 Finally on, just on this outline, we hired Mr. Dillard to help us go through some of this.  
1814 Councilwoman Moncrief, you asked me about this last time and why didn't I have him hired in  
1815 September. And I told you we had problems because I wanted to hire the person that I knew I  
1816 could trust because he reported directly to me and that I knew was above reproach, that if he told  
1817 you something, no one would have questioned his integrity or honesty. And it took me a while  
1818 to get through a list of people that met those criteria and also did not have conflicts, either  
1819 because of their workload or because other things – that they were doing. I will tell you, it is the  
1820 best thing that ever happened to us that we got hooked up with Mr. Dillard. He is a retired vice  
1821 officer from Metro. There is no pulling punches with him. He has done his job. He's reported  
1822 to me good news; he's reported to me bad news, and he's here today. He's – conducted  
1823 extensive investigations on what we asked him to look into, and he's here today to answer any  
1824 question you have. But specifically, we asked him to review the compliance policy. He  
1825 recommended some changes; we made them. We asked him to help us develop criteria for  
1826 hiring management and security personnel; he's done that. We've asked him to provide weekly  
1827 training classes to both the management and to the dancers about how to improve your  
1828 relationships with Metro, how to work with Metro when they're in the building, how to avoid  
1829 situations that can be interpreted as a violation of the dance code.

1830 Behind tab five, since we brought him on and started him, we've done 20 training sessions,  
1831 roughly. We've train, there've been a total of 187 people in these training sessions. They have to  
1832 sign in, indicating that they were there, have an opportunity to ask questions. A lot of them,  
1833 actually, do ask questions when they're done. I thought it was important to note, and you'll see  
1834 from the asterisks on this page, we asked Mr. DiFiore to attend one of those, and to see if he had  
1835 any suggestions or anything we can do better or if he thought we were doing something wrong,  
1836 and he did attend it. To the best of my knowledge, he appreciated the invite, and I thought he  
1837 was reasonably impressed that it was a good training session. He did make a recommendation to  
1838 us that we try some how to incorporate a videotape into the presentation, and we are in fact  
1839 working on that. It's very difficult to do. It's very difficult to videotape inappropriate conduct  
1840 and then show it to people, but we're figuring out a way to do it. As I indicated to you before,  
1841 they've done the background checks, and we're providing regular reports to management if

**CITY COUNCIL MEETING OF**  
**June 16, 2004**

**VERBATIM TRANSCRIPT – ITEM 78**

1842 there's something indicated in those background checks that we think warrant disciplinary action  
1843 and they have been taking the action.

1844 Finally, we've asked them to conduct undercover inspections of Treasures and the other clubs  
1845 that are licensed in the City of Las Vegas. I didn't do this to try to embarrass anybody; I did it  
1846 because, if I was gonna stand before you and tell you what I think was going on in these clubs, I  
1847 was going to have somebody I trust to do it and swear under oath what they saw. And I'll get  
1848 back to that in just a second. So, back to the first page dealing with the outline. We pretty much  
1849 covered everything, but there's a couple of other things that I want to highlight on. Item number  
1850 six on the outline. I asked Davaris and the management to actually then begin to keep a log of  
1851 whenever they had communications with Metro, whether it be by fax, whether there was a visit,  
1852 whether there was a telephone call, just so that we could determine if there was, we're doing a  
1853 decent job communicating back and forth. For whatever it's worth, that's the log. There's been  
1854 a fair amount of communication, some good, some bad, some insignificant. Metro calls and asks  
1855 for some piece of paper which we fax them or send them. We went through the warnings; we  
1856 went through the dog search; we went through the discipline report. I want to now go to Mr.  
1857 Dillard's affidavit.

1858 I was gonna try to focus on a three part presentation. What are we doing up front to try to make  
1859 sure that these violations don't occur? Again, I submit to you everything we've just discussed,  
1860 or the vast majority of it, is unique to Treasures. So we, I think we've lived up to that  
1861 commitment to put things in place. The second question it occurred to me, rightfully or wrongly,  
1862 is that, actually producing any results either, in Treasures and how do those results compare to  
1863 other clubs? You can read his affidavit. I would like to explain it; it's only a page and a half.  
1864 We have –

1865

1866 **MAYOR PRO TEM REESE**

1867 Before you – get that affidavit, I just have one question. You referenced a few minutes ago  
1868 about you made contact with Metro and told them that if they had any problems with  
1869 investigation or whatever to call you. Who from Metro did you talk to on that?

1870

**CITY COUNCIL MEETING OF**  
**June 16, 2004**

**VERBATIM TRANSCRIPT – ITEM 78**

1870 **MARK FIORENTINO**

1871 Oh man, if I – don't get everybody, please forgive me. I know I talked to Mr. DiFiore about it.  
1872 I'm positive I talked to Sergeant Arnone about it, and I'm reasonably sure I talked to detective  
1873 Loretto, but not as positive as I was with Sergeant Arnone.

1874

1875 **MAYOR PRO TEM REESE**

1876 Okay I – just wanted to make sure that in, I – feel comfortable that you, you know, that they are  
1877 aware of, that Metro is aware of, that if they have any problems at this club that they can call  
1878 you.

,79

1880 **MARK FIORENTINO**

1881 At that level.

1882

1883 **MAYOR PRO TEM REESE**

1884 Yeah. Yeah.

1885

1886 **MARK FIORENTINO**

1887 And they were rightfully frustrated after the last hearing because of my comments at the last  
38 hearing about, well, nobody ever called me. And the agreement wasn't, hey if you're in the club  
1889 and you issue an Erotic Dance Code citation will you call –

1890

1891 **MAYOR PRO TEM REESE**

1892 No, I'm – referencing something to like that – Dennis Rodman incident.

1893

1894 **MARK FIORENTINO**

1895 Right. To the best of knowledge, nothing remotely close to that level of lack of cooperation has  
1896 happened since that incident.

1897

1898 **MAYOR PRO TEM REESE**

1899 Okay. Thank you.

**CITY COUNCIL MEETING OF**  
**June 16, 2004**

**VERBATIM TRANSCRIPT – ITEM 78**

1900 **COUNCILMAN WEEKLY**

1901 Okay. Mr. Fiorentino, just real quickly, and I don't belabor the conversation 'cause this is – a  
1902 really long presentation here today, but when you speak of Metro, do you share with them these  
1903 discipline reports that we're looking at, right now in this, in your booklet here? For example, let  
1904 me give a little spot here. Arial, in the book here who has, yeah, go Arial, repeat EDC. So she's,  
1905 and I have to get educated on what was EDC.

1906

1907 **MARK FIORENTINO**

1908 Erotic Dance Code Violation.

09

1910 **COUNCILMAN WEEKLY**

1911 Okay, and I'm noticing that Arial is getting tapped on the shoulder several times. What do we do  
1912 after Arial just kind of doesn't get it together, do we say okay –

1913

1914 **MARK FIORENTINO**

1915 There's –

1916

1917 **COUNCILMAN WEEKLY**

18 What do we do with that?

1919

1920 **MARK FIORENTINO**

1921 Here's what the compliance manual –

1922

1923 **COUNCILMAN WEEKLY**

1924 Okay. And are we sharing this information with Metro?

1925

1926 **MARK FIORENTINO**

1927 Here's what the compliance manual says, and then I would have to actually study that list to see  
1928 what happened to Arial and compare the warnings to the actual disciplinary action taken, but I  
1929 have seen it in other instances. If you become a repeat offender, you get warned that night. If

**CITY COUNCIL MEETING OF**

**June 16, 2004**

**VERBATIM TRANSCRIPT – ITEM 78**

1930 you can't fix it that night, you get removed from the club and suspended. After your suspension  
1931 or probation, we use those terms interchangeably, you come back and you have more problems,  
1932 you're 86'd from the club; you're banned from the club under our compliance manual. No  
1933 question. We show the compliance manual to Metro and, so they're aware of the procedures. I  
1934 don't know that I ever specifically showed the disciplinary action to Metro. I – meant to and I  
1935 thought I made it available to everybody, and I think we even discussed it at the last hearing.  
1936 But if that's an issue, let's make it clear right now. Those records are absolutely open to Metro,  
1937 if they want to come in and see what disciplinary action we've taken, or to Mr. DiFiore. They  
1938 are free to have them. Now, what happened, though, is the last time we were here, back to my  
39 apology if we didn't really do a good job with this information, the club's manager was here.  
1940 What he had was a stack this thick of people's individual files. I said, well, I can't give the  
1941 Council people's individual files, go back and create a log. So, the log is new. The log is new  
1942 since March, because it was a more efficient way to try to track what we've done.  
1943 Mr. Dillard's affidavit. He's, it's almost self-explanatory. He goes through a number of inves,  
1944 how many times he was in the club and so forth. We have boxes of back up. I mean, we have  
1945 transcribed hand-written reports from the people who actually did the inspections. Again, rather  
1946 than give you boxes of stuff, and there's stuff in there you probably don't want to be reading  
1947 aloud, he summarized it. The summary and the salient parts are point six of his affidavit. He  
48 concludes that there are far fewer incidents of conduct of violations of the Erotic Dance Code or  
1949 other conduct that can be construed of violations of other laws in Treasures than the other clubs  
1950 he investigated. Far fewer. And that the ones that he did discover were far less egregious than in  
1951 the other clubs that he inspected. He also concludes that it is in his belief that that is because of  
1952 the proactive things we've been doing and because he's been training people. And in his training  
1953 sessions, he's been telling people, we're in the club, and we're watching you, and no one knows  
1954 that we're in the club except Fiorentino. And I think he's right. We can give you as much  
1955 backup there as you want. He's here to answer questions if you want. He told me a specific  
1956 example, as a matter of fact, of an inspection he did in Treasures, not last weekend, but the  
1957 weekend before, where we told him, step up, be more aggressive, and they actually tried to  
1958 induce somebody to doing the sexual conduct for money. She went and reported it to a manager;  
1959 a manager came over and talked to the patron and said, the patron, our person, said we don't do  
Page 67 of 82



**CITY COUNCIL MEETING OF**  
**June 16, 2004**

**VERBATIM TRANSCRIPT – ITEM 78**

1960 that here. And so, in at least in that limited instance, it's working. Again, I want you to, if you  
1961 question how he did it, how he reached his conclusions, to talk to him while he's here.

1962 Finally, the, well not finally, two more things. The comparising (sic), so I can show you what  
1963 my investigation indicates or whether what we're doing is working. The only other evidence I  
1964 have of that is the citations, themselves. Okay. So, I ask for some information. We ask for  
1965 information back to the year 2000. The reason I asked for that information 'cause I thought it  
1966 would be important as to establish some base line. Our hearing, in which these issues were  
1967 discussed openly, was in February of 2001. Mr. Jerbic gave us information from that, all he was  
1968 able to obtain, in the time that we gave him, and we understand it's from our discussions with  
69 him. It's very difficult to go back and redo this work, for, and he did it in conjunction with Mr.  
1970 DiFiore. And, as I understand it, Sergeant Arnone, although I'm not complete sure about that, he  
1971 gave us the – list that Mr. DiFiore's already given you and that you have discussed. So, I wanted  
1972 to start there. I think they're right. These numbers aren't drastic one way or another, but if you  
1973 look at 2004, the apples to apples, Treasures is on the low end of the number of citations that  
1974 have been issued for the Erotic Dance Code, for whatever that is worth. I'll stand right before  
1975 you and tell you that in any club in this town, I believe that, if Metro went in and spent time in  
1976 there, or Mr. DiFiore could go in, they could write citations all day long because it's a very  
1977 difficult standard to interpret, as you've discussed for a long time. But two things I want to point  
78 out on this chart.

1979 We also asked Mr. Jerbic, because we thought it was relevant, what happened to those cases?  
1980 After you get the citation, what, you know, did they go to trial? Did they get convicted? Did  
1981 they get pled? And I want to talk about that in a minute. But also, just looking at these charts for  
1982 a second, the prostitution citations in Treasures was also on the low end, albeit Treasures was  
1983 only open for a part of the year. But something I really want to point out on the prostitution  
1984 charges and really hammer home, is that, even though Mr. Jerbic didn't provide us the  
1985 information for 2002, we obtained it. It, the total number of prostitution citations issued in clubs  
1986 in the City of Las Vegas in 2002, there were 31 total in the year 2002 alone. Now, we don't  
1987 know because the information we were given to us had clubs, club names on it, but I took it off  
1988 because I promised I would, and I don't know whether they, because I don't know on their list,  
1989 which club is club A. So, I don't know how to distribute them on this chart, and I don't think it's  
Page 68 of 82

**CITY COUNCIL MEETING OF**  
**June 16, 2004**

**VERBATIM TRANSCRIPT – ITEM 78**

1990 relevant. The point is, they can't possibly be Treasure citations, those 31, because Treasures  
1991 wasn't open. But if you take 2001, or 2002 and 2003, there's a total of, not counting Treasures,  
1992 3, 35, 41, 47, 48 citations in the last two years for the solicitation of prostitution in other clubs.  
1993 Councilman Brown, I think you hit the point, whether we raise the bar or not. In the year 2004  
1994 in all the clubs combined, there are zero. Now, Metro explained that that's partially explained by  
1995 we don't have enough people to go into the clubs, but we know they've been in the clubs in 2004  
1996 'cause their chart shows they've been making inspections in the club. So, if in no other way,  
1997 than just by the fact that we've been having these goofy public discussions and – indicating what  
1998 we're doing in our club and at least whispering on the street that we're doing things in other  
99 clubs to see what's going on, I think we have raised the bar at least in that limited circumstance.  
2000 Finally, on this point, if you go back to page one of tab eleven. This really bothered me, and it's  
2001 going to come back to the conclusion of what you should do today. What we asked Mr. Jerbic  
2002 for again, as I told you, what happened in those cases. I'll tell you why we asked the question.  
2003 Ross Goodman's here; if you want him to testify, he will. He told me he's been told to his face  
2004 that, by Deputy City Attorneys that they were instructed that there would be no plea offers on  
2005 any case involving Treasures. The reason I bring that to your attention is because that's  
2006 underscores what a moron I was in 2001 when I said there would be no convictions. It is  
2007 absolutely, positively beyond their control once it gets to a certain point. So, we asked them to  
98 give us the information, and it took us a few days to decipher it 'cause it was riddled with codes  
2009 about what happened in these cases. And we broke them down for you.  
2010 Club A, focusing on page one of tab eleven; I don't know who Club A is but you should  
2011 probably discard this information 'cause they only had two pending cases. This is from  
2012 information gave it to us again by Mr. Jerbic. They had two cases. They haven't been resolved.  
2013 Club B, there were 29 cases in this period that Mr. Jerbic gave us information on. One hundred  
2014 percent of them – got pled before they got to trial. Resolved. Pled's not a completely correct  
2015 legal term. They got resolved before they went to trial. Club C, again, is probably irrelevant.  
2016 They only had three total cases, so we won't discuss that. Club D, 89 percent of those cases  
2017 were resolved before they got to trial. Club E, 48 citations, 86 percent of them were resolved  
2018 before they got to trial. Club F, 42 citations, one hundred percent of them resolved before they  
2019 got to trial. Club G, 18 citations. One hundred percent of them resolved before they got to trial.  
Page 69 of 82

**CITY COUNCIL MEETING OF**  
**June 16, 2004**

**VERBATIM TRANSCRIPT – ITEM 78**

Treasures, zero percent. They are all going to trial in Treasures. And just to underscore how silly this can become, the following pages behind that page one in tab 11 are a description of the – ultimate disposition of a couple of these cases that got resolved before trial. If you'll go to page number eight, which is a little tiny eight right here, and look at the bottom of that, here's two cases that the person plead nolo contendere, agreed to stay out of trouble when they came back and reportedly stayed out of trouble. The charge that began as a solicitation of prostitution got reduced to jaywalking in two different instances. Now, Mr. Jerbic started by explaining that, by saying, well, I had no idea. When Fiorentino first brought it to my attention, I issued a new policy. We're going to treat everybody differently. But he ended up where I hope you will end up when we finish this discussion, which is, he said, this is almost a direct quote, if we had treated them the same as the other clubs in this town, you would have zero convictions today. And we aren't going to be any different in August or September or whenever you get back to it, no matter how hard Mr. Goodman tries to defend them and no matter what else happens in between.

Finally, one other measure of, is a club causing problems for Metro or the community. This is public information; it's behind tab twelve. You can get a call log. Now, this is calls initiated by somebody on the premises to Metro to come out because there's problems. We did it from 2001, which is the year that we started having these discussions through 2004. We took the club names off, although we have them if you want them, and I don't think the only ones – that are particularly worth talking about today are 2003 and 2004. In 2003 Clubs A, B, and C had respectively 113 calls, 135 calls, 143 calls for service that Metro had to go out and fix some problem at those sites. Treasures had 14. Club D is Treasures. D as in dog is Treasures. Now, Treasures was only open four months of that year or three months of that year, so even if you multiply their figure by four, presume they'd have the same problem spread out throughout the rest of the year, it's – a third. 2004 is the only complete data, not a complete year, but a complete data, not the same thing. The calls for service at Treasures are half of what they are at the other clubs.

So, to summarize, we put these procedures together, and to the best of my knowledge, and no one has disputed this up to this point, Treasures is the only club in town doing it. We hired our own private investigator to go out and inspect it; he reports; it's working. It's working

Page 70 of 82

**CITY COUNCIL MEETING OF**  
**June 16, 2004**

**VERBATIM TRANSCRIPT – ITEM 78**

2050 dramatically. There are far fewer incidents in Treasures, though the statistics we were able to  
2051 determine indicate that there is no real problem at Treasures compared to other clubs. And  
2052 finally if, was stupid on this conviction thing. I have no control over it, and it ain't going to be  
2053 any different, and even if you held it again till the second meeting in August, even, there's only  
2054 two of the four scheduled between now and August. We're still not going to have an answer in  
2055 August. What we're hoping you will do is make a decision today about whether I lived up to the  
2056 second promise, that we would do what we could on the front end and that you would not hear  
2057 reports of activity even remotely close to what you heard was going on in Houston. I think we  
2058 have done both of those two things. If you're satisfied on both of those two things, then I think  
2059 you should approve this and put it behind you. Clearly Metro and Mr. DiFiore should continue  
2060 to do their job. They should continue to file, follow diligently what happens in Houston and  
2061 anywhere else or anything else they're interested in. And if it results in things that warrant your  
2062 attention, that they think warrant your attention, they should bring it to you, and you should take  
2063 the appropriate action. That's what we're asking you to do today.

2064

2065 **MAYOR PRO TEM REESE**

2066 Thank you, Mark. Are there any questions? Councilman Brown?

2067

2068 **COUNCILMAN BROWN**

2069 Just a quick one on tab 11, under the disposition. When it has pled nolo and is a fine and it says  
2070 conviction stands, how does that play out in your statistics?

2071

2072 **MARK FIORENTINO**

2073 Where, what page are you on?

2074

2075 **COUNCILMAN BROWN**

2076 There's a – host of them. About every page. Lets go to page, that's pretty small, eight.

2077

2078 **MARK FIORENTINO**

2079 Okay. Page eight.

**CITY COUNCIL MEETING OF**  
**June 16, 2004**

**VERBATIM TRANSCRIPT – ITEM 78**

2080 **COUNCILMAN BROWN**

2081 August 2<sup>nd</sup>, let, one, two, three, four, five, six, seven down, or six down.

2082

2083 **MARK FIORENTINO**

2084 Of what date, it's easiest to read by date.

2085

2086 **COUNCILMAN BROWN**

2087 10/10/2003.

2088

2089 **MARK FIORENTINO**

2090 On page eight? Oh these aren't, I got it. These aren't, these, I got it. They aren't chronological.

2091

2092 **COUNCILMAN BROWN**

2093 Just so I understand it, statistically, on something like that, and there's a variety of nolos that it  
2094 says conviction stands.

2095

2096 **MARK FIORENTINO**

2097 We treated that as a plea agreement.

2098

2099 **COUNCILMAN BROWN**

2100 Okay.

2101

2102 **MARK FIORENTINO**

2103 Because it never went to trial. It was resolved before they got to trial. They agreed on a fine.

2104 But the guide –

2105

2106 **COUNCILMAN BROWN**

2107 But the conviction of EDC violation stands. So it's pled but from a reported –

2108

**CITY COUNCIL MEETING OF**  
**June 16, 2004**

**VERBATIM TRANSCRIPT – ITEM 78**

2108 **BRAD JERBIC**

2109 From a – legal point of view it's a straight up finding of guilty. When you enter a plea of no  
2110 contest the Court finds you guilty because you did not contest the charge so that would be a, that  
2111 would be the equivalent as if you had a conviction you couldn't do any better. Only you're  
2112 probably agreeing to the fine.

2113

2114 **COUNCILMAN BROWN**

2115 So it's a negotiated, I'm guilty, versus going through the process "I'm guilty?"

2116

2117 **BRAD JERBIC**

2118 Negotiated usually because of the penalty not because of the – ultimately, the guilty verdict.

2119

2120 **COUNCILMAN BROWN**

2121 So, I understand. Thank you.

2122

2123 **MARK FIORENTINO**

2124 Yeah, so we counted that as being resolved prior to trial.

2125

2126 **MAYOR PRO TEM REESE**

2127 Are there any other questions that Mr. Fiorentino? Mr. Rodd, do you have something to say?

2128

2129 **STACY RODD**

2130 Yes. Mayor Pro Tem and Council, I just wanted to make sure that you weren't led astray with  
2131 semantics on these calls for service. Some of the clubs that we go to, a patron for example,  
2132 might expect that they're going to get certain services when they pay 300, \$400 for a bottle of  
2133 grape juice. We might get a call because, after all that is said and done, they didn't get what they  
2134 expected, and so in that case they want the police to do something about not getting the service  
2135 they expected. However, the calls for service that were being referenced to here are not going to  
2136 be generated because to – put it bluntly, the customer is getting the service that he paid for,  
2137 according to some of the vice reports that we're getting. So, I don't want you to – proceed from  
Page 73 of 82

**CITY COUNCIL MEETING OF**  
**June 16, 2004**

**VERBATIM TRANSCRIPT – ITEM 78**

2138 the standpoint that these calls for service are not present at Treasures, because there are  
2139 disgruntled customers. Disgruntled customers aren't getting what they're expecting. And  
2140 Treasures, as according to the vice report, that scenario doesn't unfold because what you're  
2141 paying for, you're getting. So I just wanted to put that on the record. That's why the calls for  
2142 service are different.

2143

2144 **MAYOR PRO TEM REESE**

2145 Mr. DiFiore, is there anything else you'd like to add.

2146

2147 **JIM DIFIORE**

2148 Yes. I've got a couple of points that I want to address that Mark had addressed in his  
2149 presentation. And, I think on one of the, Councilman Weekly had the same direction, at least on  
2150 the question that I have. And it appears that for a third offense in their violation of Erotic Dance  
2151 Code that that person could have their employment agreement terminated. The first offense, I  
2152 believe, is probation; you're reprimanded. The second offense is a two-week suspension, and the  
2153 third you could have it terminated. As you were addressing that with the stage name of Ariel, I  
2154 was looking through that as well and there's a dancer in there whose name is Serena. And  
2155 Serena had been tapped, as it's been stated, almost three days in a row in March, and then, the  
56 first, I think, the first week in April of this year Serena shows in the – disciplinary action that she  
2157 was, I think it was, she was terminated, I believe, in April. Oh no, I'm sorry. On April 22<sup>nd</sup> of  
2158 this year she was given a one month suspension, so it appears, unless there's other information I  
2159 don't have, it appears that even their own compliance regulations, that they're not being  
2160 consistent with that. If – she was tapped, if she was noted that she was violating the Erotic  
2161 Dance Code four times within, probably a two-week period, my belief is that she would have  
2162 been terminated.

2163 The other, a couple of other points I wanted to make, regarding the compliance officers. It's  
2164 really kind of a coincidence that on Friday night, when we first learned of the term compliance  
2165 officer and a new position that had been created, that Detective Loretto was addressing a  
2166 compliance officer in the room that we had been provided when we find violations, and we deal  
2167 with the individuals in that particular room after we ask them to come off the floor with us. The,  
Page 74 of 82

**CITY COUNCIL MEETING OF**  
**June 16, 2004**

**VERBATIM TRANSCRIPT – ITEM 78**

2168 Friday night I was on the first – level and I ended up asking one of the dancers to go back to this  
2169 room because I was going to cite her for violation of Erotic Dance Code. As I was observing  
2170 her, along with several other dancers, one of the compliance officers, as I later learned, was no  
2171 further away than Mr. Fiorentino was during his presentation. And I make a habit of watching  
2172 the staff, the personnel to see what kind of attention they are paying to the dancers, as I am doing  
2173 the same. And this individual, I observed him watching the same group of dancers I was  
2174 watching, and not one time did he tap a dancer or address any of the dancers of being too close to  
2175 the patron and possibly in violation of the code. I did notice a floor hostess, and I'll call her that  
2176 because she was carrying cigarettes and selling cigarettes. She did go up to one of the dancers  
77 and whisper something in her ear. The dancer was on the lap of the patron, and the dancer  
2178 looked up startled and immediately got off the patron's lap. And I took that to mean, even  
2179 though I didn't hear the conversation, I took it mean that she was passing the word that Metro  
2180 was – in the club. I observed her for about another two minutes and no – time later did she get  
2181 on the dancer's, I'm sorry, the patron's lap, as she – was performing earlier.  
2182 I think that in some cases, I believe, Mr. Fiorentino takes this too personal, and I know he can't  
2183 be everywhere during the time that the business is open and operating. Mr. Dillard does a very  
2184 good job in his training courses. One of the things, I attended on May 24<sup>th</sup>, and one of the things  
2185 that I did note in that particular presentation is that it's emphasized to the dancers that if they get  
86 asked by Metro, is Metro in the club, their response is something to the effect that they state, I  
2187 know nothing about it and – don't say anything that would be a result of possible obstruction of  
2188 an investigation. I haven't seen this personally, but my impression again, going back to the case  
2189 on the floor hostess, was that she was tipping the dancer off because she was engaged in what we  
2190 would consider a violation of our Erotic Dance Code. So, if they're passing the word along, it  
2191 doesn't appear that they're actually, some of the people are not complying with their regulations  
2192 that they've established.  
2193 One other thing too on the compliance regulations, I have a, Mr. Fiorentino mentioned that he  
2194 didn't know of any other club that had imposed these kind of regulations. Personally, myself, I  
2195 haven't seen anything in writing, but I do know that there is one club that I've addressed and that  
2196 I've cited a dancer for Erotic Dance Code violations, and the first thing after she was cited, the  
2197 manager did was told her, sorry you're gone. You're gone until this case gets adjudicated in  
Page 75 of 82



**CITY COUNCIL MEETING OF**  
**June 16, 2004**

**VERBATIM TRANSCRIPT – ITEM 78**

2198 court. So, she could no longer dance in the club. Now, again apples to apples, this manager and  
2199 I asked him is that your policy and he said absolutely. If they get cited for Erotic Dance Code  
2200 violations they don't dance in the club until they go to court. If they plead guilty and they pay a  
2201 fine, then we may take them back. Or if they – continue the case on to a trial, they don't dance  
2202 in our club until that case gets adjudicated. So, there is at least one club that is a little tougher in  
2203 their compliance standards than what Treasures has prepared for us today.

2204 I guess if we're going to go forward with this today, fully, my position hasn't changed since we  
2205 heard this in February of 2001. And again, I think that Mr. Fiorentino said he, he's made  
2206 mistakes, and he made a mistake on that particular day, but he also addressed the fact that he put  
2207 the City Council in a – in an impossible position. I disagree with him on that – point. I think the  
2208 Council was – was very open, and I guess, pretty lenient with regard to the standard that we  
2209 discussed on the conviction. They gave'em an opportunity, and I think the conversation went on  
2210 for quite a while, and you know, we finally came to an agreement. One conviction, he wouldn't  
2211 contest it; it wouldn't be contested and they lose their license. So, I think that getting back to the  
2212 focus of what was established back on February of 2001, a standard was discussed. And, I  
2213 believe that a standard is kind of sort of out there in limbo as well and until Council takes action  
2214 on this particular issue, this particular license for whatever action is to be taken, I think the  
2215 standard will be established once that action is taken. Do we want to have the other clubs be  
16 held up to the standard that's established? Absolutely. And as soon as we have clear in our  
2217 mind what that standard is going to be, then we may come forward, at your request, with the  
2218 other clubs in the violations that is established by the City Council.

2219 I'm willing to seek an abeyance of this item until the second meeting in August. Mr. Fiorentino  
2220 said, you know, we probably will have the same status on those solicitation charges then as we  
2221 do today. But if the Council is looking to have a more complete and thorough documentation on  
2222 some of the issues that we've discussed over the last couple of years, an abeyance to the last  
2223 meeting in August will not hurt us, as well as the fact that Mr. Nugent has already complied with  
2224 seeking the documents to us for us to do a full audit on the business. Certainly that would give  
2225 us time to prepare audit findings for the Council to consider at that point in time, as well. If  
2226 Council is willing to do that, we don't have a problem with it. If Council is looking to make a  
2227 decision today, my recommendation would be for denial.

**CITY COUNCIL MEETING OF**  
**June 16, 2004**

**VERBATIM TRANSCRIPT – ITEM 78**

2228 **MAYOR PRO TEM REESE**

2229 Are there any questions, Mr. DiFiore?

2230

2231 **COUNCILWOMAN MONCRIEF**

2232 I'd like to make comment in the fact that we abeyed this item last month due to all the facts that  
2233 you just stated, and I feel it's my obligation, I'm not sure how the other, rest of the Council feel,  
2234 but it's my obligation to the Council's position the way they stood initially when they gave that,  
2235 this temporary license, that we need to abey this item until those two cases, I think you  
2236 mentioned two of the three cases will go to court by that time. As you stated, that we will have  
2237 more evidence or at least more facts. But until there is a conviction of prostitution, I don't feel  
2238 we can make any decision at this time, and as I stated earlier, I still wish to abey this item until  
2239 the second Council meeting in August.

2240

2241 **MAYOR PRO TEM REESE**

2242 Thank you. Any comments?

2243

2244 **COUNCILMAN BROWN**

2245 Mayor Pro Tem, just on timing wise, Mr. Jerbic, the whole issue of temporary licensing, what is  
46 the date where that six-month extension would expire?

2247

2248 **BRAD JERBIC**

2249 It's a total of one year, and it's my understanding that the first six-month period began the day  
2250 they opened on September 16<sup>th</sup>. That would mean that the, a total of one year would end  
2251 September 15<sup>th</sup> at midnight.

2252

2253 **COUNCILMAN BROWN**

2254 Then procedurally there's two September meetings if, depending on the court case, if we give  
2255 that extra, I think it's the additional two weeks.

2256

**CITY COUNCIL MEETING OF**  
**June 16, 2004**

**VERBATIM TRANSCRIPT – ITEM 78**

2256 **COUNCILWOMAN MONCRIEF**

2257 There's one more meeting in September prior to that cutoff date.

2258

2259 **MAYOR PRO TEM REESE**

2260 Roni, how many meetings do we have in September?

2261

2262 **BARBARA JO RONEMUS**

2263 September 1<sup>st</sup> and September 15<sup>th</sup>.

2264

2265 **COUNCILWOMAN MONCRIEF**

2266 The September 1<sup>st</sup>.

2267

2268 **COUNCILMAN BROWN**

2269 Thank you, Mayor Pro Tem. I will support Councilwoman's motion, but I did want to put a  
2270 couple quick things on the record. One is, and I think Mayor Pro Tem stated it perfectly, as far  
2271 as Metro, all the subplots that are going on. We've heard all sorts of things about Metro, but I  
2272 want to reiterate what Mayor Pro Tem said. They're – reporting to us; the documentation from  
2273 Metro to us has always been professional; it's been in depth, and once again we hear that they  
2274 are just doing their job of enforcement. I – think anybody that thinks otherwise is just wrong.

2275 Secondly this bar, which perhaps internally we can have some dialogue over the next 60 to 90  
2276 days, I'm not sure where this bar started with when we began. It may have been on the ground;  
2277 it may have been below the ground, but the bar is moving. I don't know what direction, but the  
2278 bar is moving. A lot of the stuff that we've heard over every public hearing is, are issues that  
2279 both sides are making very pertinent arguments. The interpretation of numbers, the  
2280 interpretation of wording or public record or semantics of, offers a host of perspectives. So, this  
2281 whole issue of the bar and that seems to be a critical point here. I think we need to have some  
2282 dialogue internally as far as what our position is on that, and specifically, I am still concerned as  
2283 far as the issue of the original determination by the Council to hold Treasures to a higher  
2284 standard. I've heard that it was offered by the applicant in a host of words similar to offered.  
2285 The record could be interpreted that it was leveraged from the applicant one, two, three, four  
Page 78 of 82

**CITY COUNCIL MEETING OF**  
**June 16, 2004**

**VERBATIM TRANSCRIPT – ITEM 78**

2286 chances. Are you going to do this, I can't; are you going to do this, I can't. So, that has to be  
2287 evaluated. I guess, Brad, if you could, not today but some time, I'm concerned that if we hold  
2288 Treasures to this standard and now your indicating that that standard is going to be imposed on  
2289 the clubs, as far as consistency, are we able to go to club A, B, or C and hold them to that same  
2290 standard without having a Council direction that we're going to hold them to that higher  
2291 standard? Big question?

2292

2293 **BRAD JERBIC**

2294 Yes.

.95

2296 **COUNCILMAN BROWN**

2297 And, I think it's one that needs to be answered, as far as, ultimately what this Council will act, at  
2298 least for my perspective. I need to understand from a legal perspective what we can and can't do  
2299 with that original Council direction. But those three things, with that said, I would certainly  
2300 support Councilwoman's motion.

2301

2302 **BILL HENRY**

2303 Mayor Pro Tem?

04

2305 **MAYOR PRO TEM REESE**

2306 Yes.

2307

2308 **BILL HENRY**

2309 Councilwoman Moncrief do you, would you care to incorporate in your motion a clarification  
2310 that of the Council's action, that originally it was the intent of the Council to issue a temporary  
2311 liquor license and that when you met in March and abeyed the item, it was the intent of the  
2312 Council pursuant to 606052 of the Las Vegas City Code to grant a six-month temporary  
2313 extension of the liquor license.

2314

**CITY COUNCIL MEETING OF**  
**June 16, 2004**

**VERBATIM TRANSCRIPT - ITEM 78**

2314 **COUNCILWOMAN MONCRIEF**

2315 Please, add that temporary in there, please.

2316

2317 **MARK FIORENTINO**

2318 Mayor Pro Tem.

2319

2320 **MAYOR PRO TEM REESE**

2321 Yes, sir.

2322

2323 **MARK FIORENTINO**

2324 If you would do me the favor of, before your voting, obviously, if we come back in September 1,

2325 I ain't got no time left at that time. So if there's something you want me to be doing differently,

2326 anybody in this room wants me to be doing differently, I need to know it now.

2327

2328 **MAYOR PRO TEM REESE**

2329 Council members. Well, is there any comments from the rest of the Council members?

2330

2331 **COUNCILMAN BROWN**

32 No, thank you.

2333

2334 **MAYOR PRO TEM REESE**

2335 Mr. Jerbic.

2336

2337 **BRAD JERBIC**

2338 I just want to go into, if the maker of the motion could also incorporate in the motion that one of

2339 the conditions of this abeyance is that the applicant completely cooperate in any audit of any part

2340 of their business that is deemed appropriate by business licensing.

2341

2342 **MAYOR PRO TEM REESE**

2343 I think that's already in the record.

**CITY COUNCIL MEETING OF**  
**June 16, 2004**

**VERBATIM TRANSCRIPT – ITEM 78**

2344 **BRAD JERBIC**

2345 Very good.

2346

2347 **COUNCILWOMAN MONCRIEF**

2348 I think and working closely with Metro and licensing.

2349

2350 **MARK FIORENTINO**

2351 Of course we're going to give them what ever they want. What I'm going to say, no I won't, I'm

2352 not going to cooperate in the audit, come get it. Of course we'll give them what ever --

53

2354 **COUNCILWOMAN MONCRIEF**

2355 I – don't think that's that funny.

2356

2357 **MARK FIORENTINO**

2358 Well, maybe you don't. I apologize.

2359

2360 **MAYOR PRO TEM REESE**

2361 That's fine – that's fine, Mark --

62

2363 **MARK FIORENTINO**

2364 But we will provide whatever they ask --

2365

2366 **MAYOR PRO TEM REESE**

2367 Mark, Mark, please.

2368

2369 **MARK FIORENTINO**

2370 Okay.

**CITY COUNCIL MEETING OF**  
**June 16, 2004**

**VERBATIM TRANSCRIPT – ITEM 78**

2371 **MAYOR PRO TEM REESE**

2372 I, too, want to support the motion. I feel that I could have voted today if we would have had the  
2373 conviction. If there would have been a conviction today, there would have been a problem. I  
2374 think that for many, many reasons we could look at this table, that table as long as we want, and  
2375 we can say that Treasures has done all that they said they was going to do is raise that bar up,  
2376 like Councilman Brown alluded to. But the bottom line is, we was promised. And that's, I don't  
2377 know how anybody can ever look back on a promise. And so, I will support the motion for that  
2378 reason is that we haven't had a conviction at this time. So on the motion, please cast your vote.  
2379 Please post. Show Mayor Goodman abstaining also. (Motion carried UNANIMOUS with  
2380 GOODMAN abstaining, pursuant to the City Attorney's written opinion, because his son  
2381 ROSS GOODMAN is an attorney for Treasures, MACK abstaining, pursuant to the City  
2382 Attorney's written opinion, because his company Mack Consulting, an advertising and  
2383 public relations company, does work for Treasures, and Ward 2 seat vacant)

2384

2385 **MAYOR GOODMAN**

2386 Thank you.

2387

2388 **MARK FIORENTINO**

89 Thank you very much.

2390

2391 **MAYOR PRO TEM REESE**

2392 Thank you.

2393

2394

2395

2396

2397

2398

2399

**(END OF DISCUSSION)**

2400 /yy

**CITY COUNCIL MEETING OF  
March 17, 2004**

**VERBATIM TRANSCRIPT – ITEM 74**

**Discussion and possible action regarding a Six-Month Review of a Tavern License, D. Westwood, Inc., dba Treasures, 2801 Westwood Drive, Ali Davari, Dir, Pres, Treas, 50%, Hassan Davari, Dir, Secy, 50%**

**Appearance List:**

**OSCAR GOODMAN, Mayor**

**MICHAEL MACK, Councilman**

**BRAD JERBIC, City Attorney**

**JIM DiFIORE, Manager, Business Services**

**GARY REESE, Mayor Pro Tem**

**JOHN LORETTO, Detective, Las Vegas Metropolitan Police Department**

**STACY RODD, Detective, Las Vegas Metropolitan Police Department**

**JANET MONCRIEF, Councilwoman**

**MARK FIORENTINO, Attorney, Kummer, Kaempfer, Bonner, and Renshaw, appeared on behalf of the applicant**

**LARRY BROWN, Councilman**

**(11:39 – 12:25)**

**2-2143/3-1**

**46 minutes**

**Typed by: Angela Crolli and Gabriela S. Portillo-Brenner**

**Proofed by: Stacey Campbell**



**CITY COUNCIL MEETING OF**  
**March 17, 2004**

**VERBATIM TRANSCRIPT - ITEM 74**

33 **MAYOR GOODMAN**

34 We turn to Item Number 74. Item 74 is discussion and possible action regarding a Six-Month  
35 Review of a Tavern License, D. Westwood, Inc., doing business as Treasures, 2801 Westwood  
36 Drive. This is in Ward 1.

37 For the record, I'm going to have to abstain. One of my sons, Ross Goodman, is an attorney who  
38 represents Treasures on occasion.

39

40 **COUCILMAN MACK**

41 Your Honor. Your Honor.

42

43 **MAYOR GOODMAN**

44 Yes.

45

46 **COUNCILMAN MACK**

47 On Item 74, I'd given a written, I've gotten written disclosure to the City Attorney and he's also  
48 provided me with some language. Item 74 on March 17, 2004 City Council agenda is up for a  
49 Six-Month Review of a Tavern License granted to D. Westwood, Inc., dba Treasures. My  
50 business, Mack Consulting, has a contract with D. Westwood and provides marketing and  
51 advertising advice. Do I need to read all this, Mr. Jerbic?

52

53 **BRAD JERBIC**

54 I don't think so. I think it's probably just sufficient that both you and the Mayor disclose that  
55 your conflicts involve your relationship by contract, Councilman Mack, and your relationship  
56 through your son's representation, Mayor. And that you received written opinion from counsel  
57 regarding this conflict and it does exist and it's real under 281 and I think that having disclosed  
58 those, I have extra copies, with your permission, I'd like to file with the Clerk.

59

60 **MAYOR GOODMAN**

61 Absolutely.

62

**CITY COUNCIL MEETING OF**  
**March 17, 2004**

**VERBATIM TRANSCRIPT - ITEM 74**

63 **BRAD JERBIC**

64 I would also observe at this point in time that under NRS 241.0355, you have received a written  
65 opinion from counsel stating forth with specificity the factual circumstances and an analysis  
66 leading to the conclusion that you have a conflict of interest. And at this point in time the  
67 quorum of the City Council has been reduced from seven to five. So, a three votes is what is  
68 needed to carry today.

69  
70 **COUNCILMAN MACK**

71 Thank you, Your Honor.

72  
73 **MAYOR PRO TEM REESE**

74 Thank you. Any comments?

75  
76 **COUNCILWOMAN McDONALD**

77 And, yes. I just want to, I'll be voting on Item 74, but need to disclose that I'm an outside  
78 director for Station Casinos that holds privileged licenses for alcohol as this applicant. I've not  
79 discussed these items with the company nor my affiliation impact my judgment. I've reviewed  
80 these disclosures with the City Attorney as these itols (sic) will have no material impact on  
81 Station Casinos.

82  
83 **MAYOR PRO TEM REESE**

84 Thank you. I see our Mr. DiFiore is the, okay, I see the representative for the applicant. Mr.  
85 DiFiore?

86  
87 **JIM DiFIORE**

88 Mayor Pro Tem and members of the Council, today is the scheduled six-month review on the  
89 temporary license for the liquor license granted to the applicant by the City Council on February  
90 of 2001. A brief recap from that meeting and for the benefit of Councilwoman Moncrief, will  
91 remind the Council that this license consideration was one which the Council granted based on a  
92 higher standard condition that was motioned and approved and that condition including that if

**CITY COUNCIL MEETING OF**  
**March 17, 2004**

**VERBATIM TRANSCRIPT – ITEM 74**

93 one conviction for solicitation of prostitution occurred, the City Council could revoke the –  
94 tavern license. The – applicants, I believe, are here today. Mr. Fiorentino, Mr. David and  
95 George Davari, who are the principals in the application itself.

96 I also want to suggest to the City Council today that a temporary license is a license which is  
97 technically considered on probation and that the Council can consider the suitability of the  
98 applicant, as well as the appropriateness of the business activity at the business location in  
99 consideration for further action.

100 Today, with me, we have Detectives John Loretto and Detective Stacy Rodd and I'm going to  
101 step aside for a moment for the Detectives to give a brief summary of the updated report.

102  
103 **MAYOR PRO TEM REESE**

104 Before – you do that, Council members, are there any questions or concerns we need to bring  
105 forward at this time? Seeing none, I would ask the Detectives to please step forward.

106  
107 **JOHN LORETTO**

108 Mayor and Council, I'm Detective John Loretto with Metro's Special Investigations. I was here  
109 on the initial investigation back in 2001. This is Detective Stacy Rodd. I'm here before you  
110 today to discuss the six-month review of D. Westwood, Inc., doing business as Treasures, at  
111 2801 Westwood.

112 On February 21<sup>st</sup> this Board approved the Davaris' Tavern and adult cabaret application with  
113 some very high expectations. The expectations were for the Davaris to raise the bar in the Las  
114 Vegas adult cabaret industry, which was referred to at that time as being set pretty low. It was  
115 also thought that the investment that the Davaris were making would insure the compliance and  
116 increase responsibilities and their community involvement. The Davaris continued to implement  
117 new rules, policies and procedures at their business. Despite these efforts, business is still  
118 operated as it was on day one, where undercover detectives observed several violations of erotic  
119 dance regulation.

120 I would like to stand before you and state that the Davaris have done just what has been asked of  
121 them by this board. However, that would not be a true account of what has been observed at  
122 their business. It has been a hundred and seventy eight days between the time the business was

**CITY COUNCIL MEETING OF**  
**March 17, 2004**

**VERBATIM TRANSCRIPT - ITEM 74**

123 open, September 16, 2003, and the last inspection conducted by our unit on March 11<sup>th</sup>, 2004.  
124 This business continues to operate outside of the code and there have been no signs of  
125 improvement. Special Investigations has issued the following citations at this business. The first  
126 set of citations were to employees. There were 15 for violation of the erotic dance regulation.  
127 There were three for work card address change. There was one employee who was cited for not  
128 having a work card at all inside the establishment. There was no business license for massage  
129 that was occurring there. Obstructing a police officer. Display of business license for the valet,  
130 as the valet was operating without having a valid license to do so. In total, there was 22  
131 violations issued to employees at this business.

132 The business themselves received, what we issue, are called non-compliances. There were 14  
133 for allowing a violation of erotic dance code. Three work card address change violations.  
134 Obstructing a police officer by a security officer. No business license for massage. Obstructing  
135 a police officer by a waitress. No current employee list. In total they received 21 notices in non-  
136 compliance. As far as our Vice Unit, they have made two visits to this establishment and that  
137 has resulted in four arrest for entertainers, for four counts of prostitution, and three counts of the  
138 erotic dance code violation.

139 In closing, I would like to add that Hassan Davari has asked at the 2000 February meeting, if the  
140 Mayor would be fined if someone ran a red light in his City. Well, just as the Mayor takes  
141 responsibility to what occurs in this City, I would ask now that we hold this business and their  
142 owners responsible for what has occurred at their business. And you have before you my report,  
143 which details everything that I've just said in brief. And now I would like to defer to Detective  
144 Rodd.

145

146 **MAYOR PRO TEM REESE**

147 Thank you.

148

149 **STACY RODD**

150 Good morning Council, I'll be relatively brief and you do have before you a very in-depth  
151 investigative report that both Detective Loretto and I worked on. Detective Loretto is, has had  
152 the benefit of being on the enforcement team that has made the visits to some of these, so, he

**CITY COUNCIL MEETING OF**  
**March 17, 2004**

**VERBATIM TRANSCRIPT – ITEM 74**

153 speaks from first-hand knowledge. I speak from knowledge of seeing the report, seeing the  
154 citations and the violations and helping to coordinate the effort and bring it before you.

155 In that report we detail citable viol, (inaudible) citable violations – including prostitution and  
156 license related transgressions, but other problems equally troubling. We have absentee  
157 ownership, which contributes to this problem. We would expect that owners take responsibility  
158 for their businesses, privileged, regulated, general, whatever. There's a responsibility by  
159 ownership and we're not seeing that here.

160 We have the hindrance and prevention of officers who are out there conducting legitimate  
'61 investigations. In one instance, it wasn't even related to the club, except that's where the call  
162 came from, but we're getting no cooperation with – any agencies other than Special  
163 Investigations coming out to that club that may have to interview people or have some contact  
164 with the club itself. So, we're running into obstruction issues there and that's a reference to  
165 those, some of those citations that were issued.

166 We see employees announcing the presense, the presence, excuse me, of vice or police officers  
167 when we enter the building to do enforcement. Why would this be necessary if there weren't  
168 behavior that would have to be hidden? That question begs to be asked. I think, we, as the  
169 police agency, understand exactly what's going on there, but I think you have a pretty good idea  
170 also, but we want to bring that to your attention.

71 It's this, is this the behavior that we would except of any licensee, regardless of the type of  
172 license. And is this the expectation of a business that came before you pledging and committing  
173 to raising the bar, creating a new standard of behavior that would make you proud and honor the  
174 license that you gave them. That's not what we're seeing here.

175 This business has exercised absolutely no corrective action as demonstrated by the citations and  
176 the notices of non-compliance. We – find the same violations in repeated visits that have not  
177 been addressed, have not been corrected, several issuing citations for the same violations over  
178 and over again. And to be quite honest, those violations are – continuing without any noticeable  
179 corrective action.

180 Finally, I would like to impress upon you that, to the Council, that the existence of the LVMPD  
181 Vice Section, which has a finite number of officers with which to accomplish their mission, is to  
182 work within the neighborhoods and the greater community to curb prostitution, to prevent child

**CITY COUNCIL MEETING OF**  
**March 17, 2004**

**VERBATIM TRANSCRIPT - ITEM 74**

183 prostitution among runaways arriving here, to address the issue on the Strip and Downtown  
184 areas, and within our gaming corridors as well. So, they're multi-tasked throughout the Valley  
185 with a finite number of officers. It is not, nor should it be, a responsibility of theirs that they  
186 have to assign themselves to any one particular business that is privileged or regulated in nature,  
187 meeting a higher standard they're held to, because the management and owners refuse to govern  
188 and regulate themselves. I think that is a reasonable expectation that you bestow upon them  
189 when you issue a license. And that responsibility, although the police department accepts it with  
190 specialized units, it should not be allowed to create a drain and a tax on a finite number of  
191 officers to have to sit and baby sit one unit, one, excuse me, one business at the expense of the  
192 rest of the community, because I guarantee, the rest of the community suffers when you take 10,  
193 12 or 15 officers and have them, have to focus on any one or any group of businesses. There just  
194 aren't enough bodies.

195 So, I wanted to express to you also that it's taxing to the police department to that section to have  
196 to baby sit a business that is failing over and over to - regulate and to govern itself. And that  
197 concludes my presentation.

198  
199 **MAYOR PRO TEM REESE**

200 Could I just, have one question, Detective? Is this the only business like this that we have to  
201 send that amount of officers to, I mean, your words, baby sit or do we have concerns the other  
202 businesses like this also.

203  
204 **STACY RODD**

205 The only other business is that, we monitor for regulation, for compliance with the regulations.  
206 We see that this particular business has only been operating under its current ownership and  
207 management for a short period of time, and we have acted upon the fact that they have  
208 committed to raising the bar, that we wouldn't expect to find these things there.

**CITY COUNCIL MEETING OF**  
**March 17, 2004**

**VERBATIM TRANSCRIPT - ITEM 74**

209 **MAYOR PRO TEM REESE**

210 So, those – are concerns that I have also, is that they did promise us, you know, they would raise  
211 the bar when they come here. And so, I appreciate both of you being here today and giving us  
212 this report.

213

214 **STACY RODD**

215 Very good. Thank you, Sir.

216

217 **MAYOR PRO TEM REESE**

218 Thank you.

219

220 **JOHN LORETTO**

221 Any other questions?

222

223 **MAYOR PRO TEM REESE**

224 Are there any other questions?

225

226 **COUNCILWOMAN McDONALD**

227 Yes, I do have a question.

228

229 **MAYOR PRO TEM REESE**

230 Yes.

231

232 **COUNCILWOMAN McDONALD**

233 So, just I kind of follow on Councilman Reese's question, so you're saying that the number of  
234 violations and citations you've seen at this establishment deviate from the norm of what you see  
235 at other establishments in this industry?

236

**CITY COUNCIL MEETING OF**  
**March 17, 2004**

**VERBATIM TRANSCRIPT – ITEM 74**

236 **STACY RODD**

237 To be quite frank, I would say they are within the norm, possibly slightly above. The problem is,  
238 this is – a business that has been open for a finite period of time. So, to be able to compare them  
239 to businesses that have been open for extended periods of time, we'd have to measure the same  
240 period of time. I will say that we're finding violations that we did not expect and did not hope to  
241 find because we operate on the same representation that this business is going to set a new  
242 standard. We're not go in there and find these things. And so we go in from the very beginning  
243 to make sure, hey, listen, let's – make sure they're following up on their pledge and their  
244 commitment. And we're finding the same activity that we find in other places. And for sure –

245

246 **JOHN LORETTO**

247 Can I (inaudible) real quick.

248

249 **COUNCILWOMAN McDONALD**

250 Go ahead.

251

252 **JOHN LORETTO**

253 Just, what he means to by starting at the very beginning, we had meetings with the owners before  
54 the place opened. We had meetings with their attorneys before the place opened. We've had  
255 those meetings since the place has been open. Our goal in Special Investigations is not to try to  
256 go after any one business or the industry as a whole. As we all know, this industry is here in this  
257 town, it's not going anywhere. Our goal is to bring these places into compliance. As soon as a  
258 business is in compliance, it's just a monitoring phase. We go back there once every so often.  
259 We go in, we're 20 minutes. We're out of the business, everything is fine, we can go on to  
260 businesses that are high police calls, businesses that demand our attention.

261 What you have to understand about this business is we were there on seven visits as Special  
262 Investigations. Only four of those visits were for enforcement activities. The other three visits  
263 were for other stuff relating to the management, talking to the key employees of the business.  
264 Every time we go to these places it isn't to go in there, write a ton of tickets and leave. Our goal  
265 is to bring a business into compliance and that's what we've been working towards doing.



**CITY COUNCIL MEETING OF**  
**March 17, 2004**

**VERBATIM TRANSCRIPT – ITEM 74**

266

267 **COUNCILWOMAN McDONALD**

268 And the only reason why I ask that question is, just, I'm trying to imagine in my mind what  
269 business of this kind in this industry is fully in compliance all the time. It just seems like  
270 impossible –

271

272 **STACY RODD**

273 I would like to tell you the name, but I couldn't.

274

275 **COUNCILWOMAN McDONALD**

276 That was, you know, kind of my – thought along that. Second question I have, are the people  
277 that you're citing their employees or independent contractors?

278

279 **STACY RODD**

280 As the code reads, we define an employee as an independent contractor, a variation, anything  
281 that pretty much is working there is an employee, other than the guy that's hired to come in and  
282 fix to the air conditioning system.

283

284 **COUNCILWOMAN McDONALD**

285 Okay. And so, my hearing that you're recommending that we revoke the license based on the  
286 activity?

287

288 **STACY RODD**

289 Again, we don't make a recommendation. We merely just present a report to you.

290

291 **COUNCILWOMAN McDONALD**

292 Okay, 'cause, I guess, Your Honor, the only thing, and I'll defer to the Councilwoman on how  
293 she wants to proceed on, you know, this issue, but the only concern that I have is, whatever  
294 standard that we're out there enforcing, if we're out there raiding, we should be raid everyone.  
295 So, that whatever the standard is, we need to hold everyone to that standard, is my opinion.

**CITY COUNCIL MEETING OF**  
**March 17, 2004**

**VERBATIM TRANSCRIPT - ITEM 74**

296

297 **JOHN LORETTO**

298 What I would present to you, as the enforcement squad, you're more than welcome to come  
299 along with us and see exactly what we do. We can -

300

301 **COUNCILWOMAN McDONALD**

302 I don't - go to those establishments. You'll never see me on a tape.

303

304 **JOHN LORETTO**

305 We could sit down and explain in detail, as to what exactly what we do do, and is straight and  
306 across the board. And actually, Mr. DiFiore has visited several establishment in your City with  
307 us, and we regulate the City and County.

308

309 **COUNCILWOMAN McDONALD**

310 Right, but the only thing I have is that I want to make sure that if we come back a future  
311 recommendation is to revoke this license with x amount of violations in these categories, then I  
312 think that we have an obligation to say, anyone else out there who has x amounts in these  
313 categories, whatever that bar is, high, low or whatever, I think we have to hold and apply that  
14 standard across the board to everyone.

315

316 **STACY RODD**

317 If I could make a brief comment, Councilwoman, that is exactly the position that we take as well.  
318 By the comments made by this Council when this item came before you before, a direct quote is  
319 that the standard or the bar is pretty low now. So, we welcome establishments and owners who  
320 say, you know what, we're going to create a new day and a new way and we're going raise this  
321 bar and - give you an establishment where you're not going have to worry about these issues.  
322 We're not going to allow it. We're not going have that here and - that's how we're going to  
323 proceed. That's what we expect. We would love to see that industry wide and we would do  
324 whatever we could to achieve that. And we will certainly, if the mechanisms are in place, hold

**CITY COUNCIL MEETING OF**  
**March 17, 2004**

**VERBATIM TRANSCRIPT – ITEM 74**

325 everybody accountable to that same standard. This was, in our opinion, the beginning of that  
326 change, but when we go to the business we find that change hasn't taken place.

327

328 **COUNCILWOMAN McDONALD**

329 Okay.

330

331 **COUNCILWOMAN MONCRIEF**

332 Excuse me, Your Honor.

333

334 **MAYOR PRO TEM REESE**

335 You know what –

336

337 **COUNCILWOMAN McDONALD**

338 I'll defer to the Councilwoman.

339

340 **MAYOR PRO TEM REESE**

341 – just what really scares me is, what happens when you're not there.

342

43 **STACY RODD**

344 That scares us too, Sir.

345

346 **MAYOR PRO TEM REESE**

347 Councilwoman?

348

349 **COUNCILWOMAN MONCRIEF**

350 This is in my Ward and used to be in Gary Reese's Ward and has moved over to mine now,  
351 obviously, I'm new to the Council and so I wasn't there for the initial voting for this license. But  
352 reading this confidential report on the sexual oriented businesses that the Davaris own in Texas, I  
353 was, which is extremely graphic, I was very surprised. I'm surprised that this license was ever

**CITY COUNCIL MEETING OF**  
**March 17, 2004**

**VERBATIM TRANSCRIPT – ITEM 74**

354 given, but now that it is, that's not what we're discussing today. The issue today is the issues of  
355 what the problems are, they are presently.

356 And there's a quote from Metro that there's a culture of lawlessness at this business that's  
357 accelerating and is demonstrated by the ever-increasing number of violations and citations being  
358 documented by Metro's Special Investigation in Las Vegas Metro Police. In speaking to Metro  
359 they ask the Davaris to hire like a third-party investigator, that they hire themselves, to watch  
360 over their employees. I was wondering, could someone answer if they're looking into doing  
361 this?

362

363 **STACY RODD**

364 I think that's a proposal and I think that –

365

366 **JOHN LORETTO**

367 Actually, from my understanding, I believe he's here today, who they hired. We spoke with Mr.  
368 Fiorentino, who could probably address that better for you, as to the whole process.

369

370 **COUNCILWOMAN MONCRIEF**

371 Maybe he can come up so we can speak about this.

72

373 **MAYOR PRO TEM REESE**

374 Yeah. Mr. Fiorentino?

375

376 **MARK FIORENTINO**

377 Is it my turn?

378

379 **MAYOR PRO TEM REESE**

380 Yes. We will allow Mr. Fiorentino to make a few comments. Mark?

381

382 **MARK FIORENTINO**

383 No, I think, I, we would prefer to make a presentation.

**CITY COUNCIL MEETING OF**  
**March 17, 2004**

**VERBATIM TRANSCRIPT - ITEM 74**

384

385 **MAYOR PRO TEM REESE**

386 That's fine.

387

388 **MARK FIORENTINO**

389 But if the question was, have we hired a private investigator to help us with enforcement issues,  
390 the answer is yes, and I'm prepared to get into that in some detail when you're ready to let me  
391 talk.

392

393 **MAYOR PRO TEM REESE**

394 Mr. Fiorentino?

395

396 **COUNCILWOMAN MONCRIEF**

397 I have numerous questions?

398

399 **MARK FIORENTINO**

400 I don't, I'm - sorry, I don't mean to be rude. But if, I - want to give them the complete  
401 opportunity and when you're ready I'll -

402

403 **COUNCILWOMAN MONCRIEF**

404 I think they are ready.

405

406 **MARK FIORENTINO**

407 Okay. Can - Mr. Rowe join me

408

409 **MAYOR PRO TEM REESE**

410 Yes.

411

412 **MARK FIORENTINO**

413 - before you, cause I'm going to need some help.

**CITY COUNCIL MEETING OF**  
**March 17, 2004**

**VERBATIM TRANSCRIPT – ITEM 74**

414

415 **MAYOR PRO TEM REESE**

416 Yes.

417

418 **MARK FIORENTINO**

419 Mayor Pro Tem and members of the Council, Mark Fiorentino and Russell Rowe, we represent  
420 the owners of this establishment on this application, as we have had, I guess, now going on three  
421 years when we started with the initial zoning issues.

422 The last place I wanna be is standing before you talking about these issues. I didn't want do it  
423 three years ago, I didn't want do it today. I have learned in the last couple years more than I ever  
424 wanted to learn about the operations of these clubs. I stood before you. Councilman Reese, you  
425 remember, it was me who stood before you and said that we will raise the bar, and the concern at  
426 the time was prostitution, prostitution-related offenses and drug-related activity. I said then, and  
427 I'll say again today, absolutely a legitimate concern. You should not tolerate it. You should make  
428 the Davaries, and everyone else who operates in this town, do whatever they can to ensure that  
429 that doesn't take place.

430 And I wanna highlight some of the things we've been doing with both respect to that issue and  
431 compliance in general. And I'm not sure exactly where to begin, but let's start with the  
32 prostitution-related issues. Every person who comes to work at Treasures –

433

434 **MAYOR PRO TEM REESE**

435 If I could, Mark, I wanna put also on the record here today, I think it's important at this time that  
436 everything, every comment that's been made, there has only been citations issued; there has not  
437 been any convictions at all. This has, none of these cases have been in court. There have been no  
438 convictions of any crimes committed at this location.

439

440 **MARK FIORENTINO**

441 That's absolutely correct. And I wanna point to a specific, perhaps, example in one of those  
442 cases that, I think, demonstrates the point that there really are two sides to every story and this  
443 one in particular.

**CITY COUNCIL MEETING OF**  
**March 17, 2004**

**VERBATIM TRANSCRIPT – ITEM 74**

444 But let's start with the prostitution-related offenses. Because, again, I think, there's nobody in  
445 this room who would say, you shouldn't be doing everything you could. And if –, my clients  
446 aren't doing everything they could, then you should revoke their license. You absolutely should.  
447 That's what they told you they were willing to not challenge, if you did, and that'd what I'm  
448 gonna do again today.

449 Everybody who comes to work for Treasures, whether they are an employee or an independent  
450 contractor, the dancers are independent contractors, they have to sign an independent contractor  
451 agreement. We're gonna distribute to you just some highlights. We probably ought to get these  
452 going around. I don't know if we gave you the contract. Take my word for it, they have to sign a  
453 contract that requires them to comply with all state and local regulations, blah, blah, blah, blah,  
454 blah. But it also allows them to, it allows us to submit them to background checks done by us. It  
455 also warns them that they will be subject to either suspension or prohibition from dancing in the  
456 club, if they conduct certain activities.

457 So, everybody signs this policy. Everybody signs it coming in. We are conducting background  
458 checks. Councilwoman, we have hired a private investigator. It was always part of the plan, to  
459 help us do the training, to help us do the background checks, and to help the management team  
460 watch after their own employees. Unfortunately, he hasn't been on board for very long. He's on  
461 board, and we told Metro we were gonna bring him on board. It took us a while to find someone  
462 that everybody was comfortable with. Someone who was above reproach that if you, he told you  
463 something, you could believe it. But it, it's ongoing.

464 So, we do background checks on dancers, or we will begin very soon doing background checks  
465 on dancers. If that check reveals an institute of prostitution, or an instance of prostitution, they  
466 are banned from the club. They prohibited from dancing in the club. Dancers who actually work  
467 in the club, and this has been the case with the three citations that have been issued. If they are  
468 issued a citation for prostitution, they are immediately placed on probation. If they are convicted,  
469 they are prohibited from working in the club. If they are issued a second citation, whether the  
470 first one resulted in a conviction or not, they are prohibited from working in the club. None of  
471 the three cases have yet gone to trial. There have been no convictions, but none of those three  
472 dancers have been back in the club since they had – Well, one of them was, and the  
473 management prohibited her from coming back. Not because she was convicted of prostitution,

**CITY COUNCIL MEETING OF**  
**March 17, 2004**

**VERBATIM TRANSCRIPT – ITEM 74**

474 but because they were worried that she was doing things that might lead to that. So, you're not –  
475 hearing the whole part of the story.

476 And that is the same with our managers. There have been, since the club opened in six – months  
477 ago, plus or minus, the management has issued 51 suspensions and firings. Okay? They range  
478 from independent contractors who are no longer allowed to come back in the club, to hosts, to  
479 managers. Okay? I personally think they are doing everything they can to prohibit prostitution in  
480 the club, with those regulations that are taking place. Could they do a better job of enforcing the  
481 exotic dance code? Obviously, they can, based on the report that Metro gave you. Obviously,  
482 every establishment in this town could do a better job of enforcing that code. If the standard  
483 you're going to hold this to is there cannot be violations of the erotic dance code, then you  
484 should revoke their license now no matter how hard the owners try. And they can improve.  
485 They're willing to tell you they are. They need to improve in enforcing that portion of the code.  
486 But, no matter how hard they try, you could walk in today and issue citations if that was what  
487 you wanted to do.

488 With respect to the lack of cooperation, I take that as a personal assault. The, Metro is talking  
489 about the Dennis Rodman incident. When I first learned about that incident, I read about it in the  
490 newspaper. I called Mr. Davari immediately, and I called Metro immediately. And I said, you are  
491 absolutely right, Metro. You should not tolerate that kind of behavior. If you're trying to do an  
92 investigation and someone at the club tells you they won't give you information they have, you  
493 should not tolerate it, and I told Mr. Davari he should not tolerate it. The two managers involved  
494 were suspended for two weeks. I believe, one of them was ultimately fired later. And I said to  
495 Metro, here's my cell phone number, here's my home phone number If you ever get in a  
496 situation again where they are not cooperating in an investigation you're doing, you call me,  
497 'cause I quit. I've not heard from Metro again. I think they were right. I have, to the best of my  
498 knowledge, 'til today, I've heard no indication that they were not receiving cooperation in  
499 ongoing investigations.

500 Finally, one final example to indicate to you that, I think, they are doing everything they can.  
501 This morning, I read the police report and the police statement in one of the three prostitution  
502 cases that's pending. The police report contains a statement in which the dancer allegedly said to  
503 the vice officer who was doing the investigation, we need to be careful what we say in here,



**CITY COUNCIL MEETING OF**  
**March 17, 2004**

**VERBATIM TRANSCRIPT – ITEM 74**

504 because the floor hosts won't put up with it and they'll throw me out of here. Now that's the kind  
505 of stuff you need to hear if what you're really interested in is are they doing what they can to  
506 prohibit prostitution in that club. And, I think, they are.

507 And, I'm here to stand before you again today and say, if somebody else has a better idea,  
508 something in addition to what we can do, then tell us and we will do it. We summarized things  
509 they're doing in the club that go beyond just signing in a – set of procedures. Mr. Rowe  
510 personally audited the files of the dancers and employees at the club in the last couple days to  
511 ensure that they're really following this, that if you – were reprimanded, there's something in the  
512 file that shows that is there. The paperwork is there. We could bring in files and files to show  
513 you that they are trying to do what they can. This is just a highlight that, for example, the third  
514 point from the top, they have a very sophisticated computer system which makes the dancers  
515 scan in and scan out when they leave, so they can detect violations with work cards, and they can  
516 tell when the dancers are leaving the establishments to help monitor whether they're leaving with  
517 patrons. All things that are evidencing that, if you're trying to put an end to prostitution, these are  
518 the kind of things that you would be doing.

519 So, I stood before you. I read this transcript. I studied it. I regret I was ever here. I regret I ever  
520 said anything about it at all. But this is what I said, and I don't think we're here today to back off  
521 of this. There was at least ten minutes of discussion on this. What we said was, if there is a single  
22 conviction for prostitution, I don't remember anybody ever saying that to you before, we  
523 understand that you may revoke their license for that, and we agree that we will not challenge  
524 that revocation in court for a similar proceeding. That hasn't changed today. There haven't been  
525 any convictions today. I think Mr. Davari fully understands what he needs to do to make sure  
526 there aren't any convictions. Some day there may be. A – person who's charged may never come  
527 back to his club again and may never show up for a court hearing and get convicted of something  
528 they were charged with.

529 So, although I didn't intentionally mean this at the time, when we came up with that statement  
530 two years ago, I think it was the right thing to do. I think you ended up in the right place. I think  
531 in your hearts, if you see activity that warrants the revocation of their license, you should take  
532 that action. You should direct your staff to advise you to take that action. In my heart, I haven't  
533 seen it. And, for whatever that's worth, and we should continue to do what we're doing. I'd be

**CITY COUNCIL MEETING OF**  
**March 17, 2004**

**VERBATIM TRANSCRIPT – ITEM 74**

534 happy to answer any questions that any of you have, or the Councilwoman has, and we'll go  
535 from there.

536

537 **COUNCILWOMAN MONCRIEF**

538 Thank you very much. I do –

539

540 **MAYOR PRO TEM REESE**

541 Councilwoman?

542

543 **COUNCILWOMAN MONCRIEF**

544 I just have a few questions. In reading this transcript, five times it was noted that, if there's a  
545 conviction of prostitution, that the license will be revoked, but not a citation.

546

547 **COUNCILMAN WEEKLY**

548 Correct.

549

550 **COUNCILWOMAN MONCRIEF**

551 Mayor Goodman said, a single conviction for sexual – misconduct, and he says his clients are  
552 ready to agree that the license would be revoked. You said that a single conviction will result in

553 them losing their license. Mayor Goodman said, that there's one conviction that you agree that

554 you'll have your license revoked. That is, do I understand that? The Mayor says, okay, under a

555 criminal law that there's a conviction okay that you agree whether you're sitting in Houston or in

556 your boat in the gulf, I don't care, that you agree you should have your license revoked, etc., etc.

557 So, um, I think today that I'd like to ask a couple questions. If Metro could please come back up.

558 Is it true that there still is a problem with upper management? That maybe they can work on their

559 upper management to get this under control.

560

561 **STACY RODD**

562 Councilwoman, coming from the law enforcement standpoint and working in this section, we

563 refuse to accept the – representation that there is nothing that can be done to stop these things

**CITY COUNCIL MEETING OF**  
**March 17, 2004**

**VERBATIM TRANSCRIPT – ITEM 74**

564 from happening. I mean, we don't buy into that. If I owned a store, and I had problems with  
565 theft, if it took me 24 hours a day to sit in my store and make sure that my things aren't walking  
566 out the door, that's what I'm gonna do as the owner. I have an interest to protect. Maybe it's not  
567 the same example, but the licensees have an interest to protect. Whatever it takes to prevent these  
568 acts of prostitution, these acts of violation of erotic dance, the violations that are noted in your  
569 report, I would think he would have a vested enough interest to, whether it meant hiring more  
570 staff, whether it meant getting more private investigators on board. Whatever it takes to prevent  
571 these violations, like he agreed to, that's I would think would – take place.

572 And, yes, this is, the direction – of any business comes from management and ownership,  
573 because people will only do what they're allowed to do. Now, I'm not saying they actively  
574 promote prostitution activities there, but it is taking place. It's being brought to their attention  
575 that it's taking place, and it continues. So, ultimately the – management and the owners are  
576 responsible for that. They know it's taking place. It's, the impetus is on them to prevent this.

577  
578 **COUNCILWOMAN MONCRIEF**

579 (inaudible) I would like to hear today from the owners or their representation, you know, are they  
580 going to possibly change their upper management or work with their upper management, and  
581 hire more investigators. Is there anyone that would like to speak?

82  
583 **MAYOR PRO TEM REESE**

584 Mark?

585  
586 **MARK FIORENTINO**

587 The answer to that question is yes. We – have hired the private investigator. We're going to put  
588 him –

589  
590 **COUNCILWOMAN MONCRIEF**

591 Did you know we need that on the record?

**CITY COUNCIL MEETING OF**  
**March 17, 2004**

**VERBATIM TRANSCRIPT - ITEM 74**

594 **MARK FIORENTINO**

595 Oh, I'm sorry. I thought I already put it on the record. One other thing, and again, I don't mean  
596 any disrespect. Metro is doing their job. Mr. DiFiore's staff is doing their job. Their job is to  
597 enforce the code, whether you, I or anybody else thinks it right, and point out what they think are  
598 violations of the code. But if anybody in this room could tell me how to meet this standard, that  
599 no one, who ever sets foot in that club can be convicted of a crime, whether it's prostitution or  
600 not, what I can do to absolutely ensure that that will never be the case, then I'll like to hear it and  
601 we'll do it.

602  
603 **COUNCILWOMAN MONCRIEF**

604 The problem is that you're the one that stated that, when you gave these people, when we gave  
605 the license.

606  
607 **MARK FIORENTINO**

608 I said and I said it again today, if there's a conviction for prostitution in this club, you're well  
609 within your rights to revoke it. We will not challenge that revocation in court as many, well, I  
610 shouldn't say many, as others before us have attempted to do.

611  
612 **COUNCILWOMAN MONCRIEF**

613 Okay. Thank - you.

614  
615 **MARK FIORENTINO**

616 That's, in of itself, I submit to you, is raising the bar.

617  
618 **COUNCILWOMAN MONCRIEF**

619 Thank you.

620  
621 **MAYOR PRO TEM REESE**

622 Are there any questions - ? Mr. Fiorentino do you have anything else?

623

**CITY COUNCIL MEETING OF  
March 17, 2004**

**VERBATIM TRANSCRIPT – ITEM 74**

624 **MARK FIORENTINO**

625 No, I'd like to go ahead on my zoning items in the County.

626

627 **MAYOR PRO TEM REESE**

628 Well, I'm glad to know where we stand, as far as your importance then. Mr. DiFiore, would you  
629 please step forward. Councilwoman, do you have anything else you'd like to ask or say?

630

631 **COUNCILWOMAN MONCRIEF**

632 One more question. If there is a conviction of prostitution, this was a question asked by our staff  
633 to me, will we have the right to revoke the license immediately or this, will this become, come  
634 before Council again?

635

636 **COUNCILWOMAN McDONALD**

637 It's going to come before Council.

638

639 **MAYOR PRO TEM REESE**

640 Yes, it's going to be back before Council.

641

642 **COUNCILWOMAN McDONALD**

643 It's a revocation hearing.

644

645 **MAYOR PRO TEM REESE**

646 Mr. DiFiore, can you answer that for, on the record?

647

648 **JIM DiFIORE**

649 Well, I – guess that was the clarification I was wondering myself. Because of the transcripts and  
650 the – motion that took place in 2001, I – wasn't really clear whether or not the day that there was  
651 a conviction in court, if that should happen, whether or not that day the license is – automatically  
652 revoked by the City Council or if it requires us to come back before the City Council for  
653 disciplinary action.

**CITY COUNCIL MEETING OF**  
**March 17, 2004**

**VERBATIM TRANSCRIPT – ITEM 74**

654

655 **MAYOR PRO TEM REESE**

656 Well I – my – opinion at the time was that it would have to come back before the City Council  
657 for revocation. I think everybody deserves a hearing. So, that would be, does that answer the  
658 question?

659

660 **COUNCILWOMAN MONCRIEF**

661 Yes, Sir, it does.

662

663 **MAYOR PRO TEM REESE**

664 Are there any other questions or comments? Mr. DiFiore, at this time, I – feel like that, you  
665 know, Metro has done a good job, and I also feel like that – Mr. Fiorentino has represented his  
666 client as being able, wanting to work with us and to make sure that we don't have any problems  
667 in this club. And – in other words, trying to raise the bar one more time. I feel that because we  
668 haven't had any convictions at this time, I would like to hold this in abeyance for a three-month  
669 period and maybe at that time, because we are trying to raise the bar, I think it's important that  
670 we also see what's happening in other locations like business, like businesses.

671 So, I think it's important that we are staying on top of this issue here, and I know that there is a  
672 huge investment at this location. And so I would just hope that the Davari brothers realize and  
673 understand just how thin the ice is that they're skating on right now. I think that they may have  
674 three months to show us, make changes, do whatever they have to do to make sure that when  
675 they come back before us that there is a pos, a positive input on this subject, rather than, I think,  
676 the negative that has been here, that has been shown here today. I think that we understand, as a  
677 Council, what needs to be done, and I don't think that the City – Council here today would have  
678 any problems doing what needs to be done. So, I think because we haven't had any convictions  
679 at, as of this time, **I would move that we hold this in abeyance for three months and come**  
680 **back with those reports for us.**

681

682

**CITY COUNCIL MEETING OF**  
**March 17, 2004**

**VERBATIM TRANSCRIPT – ITEM 74**

682 **JIM DiFIORE**

683 Mayor Pro Tem, if I could, before the motion is voted on, could I make three quick points.

684

685 **MAYOR PRO TEM REESE**

686 Absolutely.

687

688 **JIM DiFIORE**

689 Okay. First of all, when the discussion was ensued with regard to employees and independent  
690 contractors, we have a provision in Title 6.6.02, I believe it's 370, which makes the licensee for  
691 any business responsible for the actions of their employees, agents, officers and members of that  
692 particular business. So, whether an independent contractor or an employee, the licensee is  
693 responsible for the actions of those individuals.

694

695 **MAYOR PRO TEM REESE**

696 Well, Mr. – DiFiore, I own a barber shop and I got two barbers working there, I'm responsible  
697 for them.

698

699 **JIM DiFIORE**

00 Yes, you are. And, the second point is, I just want to make it clear to the Davaris that because of  
701 the motion made in 2001, it doesn't absolve them from any other violations, whether this be  
702 Business Licensing codes or a liquor code violations or an erotic dance code violations. And in –  
703 addressing Mark's comment with regard what can they do, I'm not a novice at this. I've been an  
704 investigator before I was a Manager here in Business Licensing. I've been involved in  
705 investigations on – alcohol and non-alcohol related topless clubs, and one of – the things that I  
706 see in Treasures that I haven't seen too frequently in other clubs is the fact that the erotic dance  
707 code violations, and Metro does a good job in being prudent and – scrutinizing these before they  
708 issue citations, but it's the erotic dance code violations that lead the customer to believe that  
709 there is more to offer. And that leads to the – appearance that there is more prostitution, and –  
710 that it can be bought and be available at that location. So, I think that it's kind of a two-fold  
711 problem. It starts with the erotic dance code violations.

**CITY COUNCIL MEETING OF**  
**March 17, 2004**

**VERBATIM TRANSCRIPT - ITEM 74**

712 So, that would be my suggestion with regard to the whole thing. Personally, the last time I was  
713 out there, March 5<sup>th</sup>, I observed with the Sergeant in the enforcement division, through the video  
714 monitor, a - lady who was - topless and who was massaging the client and allowing the client to  
715 massage her. We brought this to the attention of management. We watched it and observed it  
716 for 20 minutes and management agreed that should not be happening. What we observed was no  
717 floor person, no floor manager walking by tapping the girl on the shoulder and saying, can't do  
718 that, back off, which is pretty prevalent in the other clubs. The - ironic thing about this, about 30  
719 to 45 minutes later, as we were leaving, we went back in that same room to view the monitor and  
720 we saw the same thing happening over and over again, I think two or three times. And we -  
721 brought it to management attention and we said we're leaving, we've got other things to do,  
722 other places to go, take care of it. So -

723

724 **MAYOR PRO TEM REESE**

725 I just got a question. Okay. If he was there for 20 minutes and viewed this for 20 minutes and is  
726 against the law, how come you didn't ask management to step in and stop this?

727

728 **JIM DiFIORE**

729 We asked management -

30

731 **MAYOR PRO TEM REESE**

732 And how come -

733

734 **JIM DiFIORE**

735 - we asked management to - look at it with us and tell us, is that in violation of your - policies?  
736 Is it, do you believe that this should be happening? And they agreed no. Now, five minutes after  
737 we left the room, that - young lady was brought into an area, discretely and she was issued a  
738 citation for that particular offense. Again, I think the detectives indicated -

739

740 **MAYOR PRO TEM REESE**

741 Well, no, but -



**CITY COUNCIL MEETING OF**  
**March 17, 2004**

**VERBATIM TRANSCRIPT – ITEM 74**

742  
743 **JIM DiFIORE**  
744 – that we've –  
745  
746 **MAYOR PRO TEM REESE**  
747 – again, though, to me, it – looks to me that once management seen what was going on, they  
748 were go in there and stop it right then.  
749  
750 **JIM DiFIORE**  
751 Absolutely.  
752  
753 **MAYOR PRO TEM REESE**  
754 Any other comments? Councilman Brown?  
755  
756 **COUNCILMAN BROWN**  
757 Thank you, Mayor Pro Tem. Just a few. Back on February 21<sup>st</sup>, 2001, my first question, after  
758 reading the Metro report on the Davari operations in Houston that dealt with perspective in  
759 comparisons, and even today, I'm still not comfortable with that, and over the next three months  
760 I certainly get with you, Mr. DiFiore, cause I think it's been brought up by some of my  
761 colleagues. The industry, personally, I need a better perspective of where this club falls in with  
762 our industry, not Houston now. And in the context of that hearing in 2001, the report was so  
763 graphic and so lude that I think that it certainly opened my eyes up, as far as what this industry  
764 could be doing. Now, apparently that's not as prevalent in Las Vegas. But that was the context  
765 of that licensing hearing was the dramatic going ons in Houston versus what we were trying to  
766 license here in Las Vegas, and as Mr. Fiorentino said there's a, two sides of every story. The  
767 good news that I've heard on this side of the ledger is in Houston there were significant fines,  
768 there was drugs, there was prostitution and those were all convictions. Here, although there's  
769 pending citations on prostitution, I heard no reference to any drugs and the fines, I'm not sure if  
770 that information is – available yet. The – manual, so, there's so some positive, as far as to what  
771 was committed to back in February '01.

**CITY COUNCIL MEETING OF**  
**March 17, 2004**

**VERBATIM TRANSCRIPT – ITEM 74**

772 But Metro's report is likewise very telling, as far as not only some minor violations, but some  
773 serious activity occurring in the club. And this Council decided to raise the bar in 2001. My  
774 second question during that 2001 hearing was addressed to, I think everyone at the time, was if  
775 we're going to raise this bar or holding this application to a higher standard, what does that mean  
776 retroactively to the other clubs? Do they immediately get brought up to our new standard,  
777 understanding the limited resources of Metro, they can't be everywhere and we certainly don't  
778 want them to be everywhere. In – this industry is just impossible. But what implications does  
779 that have. If – there's going to be some legal action taken by this City, are we on solid grounds,  
780 as far as creating a new standard for one club and not holding the others to that same standard.  
781 That likewise, I would like to have addressed over the next few months.

782  
783 **MAYOR PRO TEM REESE**

784 That's a good question.  
785

786 **COUNCILMAN BROWN**

787 But certainly, you know, it's disappointing because there were some commitments and promises  
788 made on this record to raise the bar, and the bottom line is the owners are responsible for every  
789 one of their employees. Seems to me, thanks to Metro's enlightening reports on this industry,  
790 that it's inherit, there're certain things that are going to hap, happen in these clubs and their –job,  
791 as the detective pointed out, is to try to enforce compliance. And enforcing compliance, I don't  
792 think it's possible in this industry. Hopefully, they'll be the lesser of the – charges or the  
793 citations that are issued, but when you come down to these independent contractors, and I'm  
794 guessing there's thousands in Las Vegas alone, what happens from that allowable dance or  
795 allowable activity and how it progresses to the minor offenses, to the major offenses, it just, it  
796 seems to be, again, part of the overall industry that we're facing.

797 So, those are the two things over the next few months I'd like to get a better comfort level with  
798 is, is just the comparison and for no other reason than to have some context in making some  
799 decisions. And also –  
800  
801

**CITY COUNCIL MEETING OF  
March 17, 2004**

**VERBATIM TRANSCRIPT – ITEM 74**

802 **MAYOR PRO TEM REESE**

803 I couldn't get it either.

804

805 **COUNCILMAN BROWN**

806 – Mr. Jerbic if we could, from a legal perspective, get – a little bit more understanding of the  
807 policy, if it is in fact the policy that this Council set forth in holding the Davari brothers or  
808 Treasures to this new standard, does that have any implications with the rest of the industry, as  
809 far as Las Vegas goes.

810

811 **MAYOR PRO TEM REESE**

812 Thank you.

813

814 **COUNCILMAN BROWN**

815 Thank you.

816

817 **MAYOR PRO TEM REESE**

818 Council, thank you, Councilman. Councilwoman?

819

820 **COUNCILWOMAN McDONALD**

821 And yes, as we were compiling statistical data, I just, for my own education, would like to see  
822 what type of citations are issued at downtown hotels, as it relates to solicitation of prostitution,  
823 just to get a sense, because if we're gonna start, you know, closing people down, we may be  
824 closing down a lot more than we think we are.

825

826 **MAYOR PRO TEM REESE**

827 Thank you. Any other comments?

828

829 **MARK FIORENTINO**

830 Mayor Pro Tem, before you vote.

831

**CITY COUNCIL MEETING OF  
March 17, 2004**

**VERBATIM TRANSCRIPT – ITEM 74**

832 **MAYOR PRO TEM REESE**

833 Yes, Sir.

834

835 **MARK FIORENTINO**

836 Actually, the reason I came back up. Could we have an understanding today that three months  
837 doesn't mean exactly three months, 'cause that's going get us into the summer holiday schedule  
838 and could we just have an understanding that it isn't exactly three months. Let me be more  
839 direct.

840

841 **MAYOR PRO TEM REESE**

842 Yes.

843

844 **MARK FIORENTINO**

845 Exactly –

846

847 **MAYOR PRO TEM REESE**

848 We need a date.

849

50 **MARK FIORENTINO**

851 – three months I'm supposed to be in San Diego with my family.

852

853 **MAYOR PRO TEM REESE**

854 We're – going have a date. Let's see, the second – meeting in –

855

856 **MARK FIORENTINO**

857 How about the second meeting in June?

858

859 **BARBARA JO RONECUS**

860 It will be June 16.

861

**CITY COUNCIL MEETING OF**  
**March 17, 2004**

**VERBATIM TRANSCRIPT – ITEM 74**

862 **MAYOR PRO TEM REESE**

863 June 16<sup>th</sup>.

864

865 **MARK FIORENTINO**

866 Okay.

867

868 **MAYOR PRO TEM REESE**

869 And again, I'd ask Mr. DiFiore, I do have concerns. Has there been any problems with drugs or  
870 drug sales at this location?

871

872 **JIM DiFIORE**

873 Not –

874

875 **MAYOR PRO TEM REESE**

876 I, it wasn't mentioned so.

877

878 **JIM DiFIORE**

879 – not that it'd been brought to my attention.

80

881 **MAYOR PRO TEM REESE**

882 All right. I think that's a one – plus there. I know that there was a lot of problems in Houston at  
883 the time. So, I'm – glad there's no problems there. Okay. You've heard the motion. Please,  
884 cast your vote. Please, post. Motion carries. **(Motion carried with Goodman abstaining**  
885 **because his son Eric Goodman is the attorney for Treasures and Mack abstaining because**  
886 **his company Mack Consulting has a contract with Treasures)**

887

888 **MARK FIORENTINO**

889 Thank you.

890

891

**CITY COUNCIL MEETING OF  
March 17, 2004**

**VERBATIM TRANSCRIPT – ITEM 74**

892 **MAYOR PRO TEM REESE**

893 Thank you, Mr. DiFiore. Thank you, Mark.

894

895 **(END OF DISCUSSION)**

896 /ac/gpb/ac;sc

# **Memorandum**

## **City of Las Vegas Office of the City Attorney**

**To:** Mayor Oscar B. Goodman  
**From:** William P. Henry *WPH*  
Senior Litigation Counsel  
**CC:** Bradford R. Jerbic  
City Attorney  
**Date:** September 15, 2004  
**Re:** Request for Opinion on Abstentions for 9/15/04 City Council Meeting

---

This memorandum is written in response to your request for an opinion from the City Attorney's Office regarding whether you are required to abstain on item 86 which is to be considered by the City Council at its September 15, 2004 meeting.

**Item 86** involves a review of a tavern license for Treasures, a sexually-oriented business, in Ward 1. You have informed me that your son, Ross Goodman, Esq. has been retained by Treasures to represent its interests in various legal issues, including the representation of several entertainers (dancers) at Treasures who have been charged with, among other things, solicitation of prostitution. The approval or denial of Treasures' tavern license will affect its business and possibly your son's business relationship with Treasures.

NRS 281.501(2) provides:

In addition to the requirements of the code of ethical standards, a public officer shall not vote upon or advocate the passage or failure of . . . a matter with respect to which the independence of judgment of a reasonable person in his situation would be materially affected by (b) His pecuniary interests; or (c) His commitment in a private capacity to the interests of others.

NRS 281.501(8) defines "commitment in a private capacity to the interests of others" as a commitment to a person: (b) who is related to him by blood, adoption or marriage within the third degree of consanguinity or affinity; (d) with whom he has a substantial and continuing business relationship; or (e) any other commitment or relationship that is substantially similar to commitment or relationship described in this subsection.

In light of the above, it is the conclusion of the City Attorney that you should disclose the factual circumstances surrounding your potential conflicts on the record and abstain from the discussions and votes on the above-referenced items.

WPH:cm

Submitted at City Council

Date *9/15/04* Item *#86*

# **Memorandum**

## **City of Las Vegas Office of the City Attorney**

**To:** Councilman Michael Mack  
**From:** William P. Henry *WPH*  
Senior Litigation Counsel  
**CC:** Bradford R. Jerbic  
City Attorney  
**Date:** September 15, 2004  
**Re:** Request for Opinion on Abstentions for 9/15/04 City Council Meeting

---

This memorandum is written in response to your request for an opinion from the City Attorney's Office regarding whether you are required to abstain on item 86 which is scheduled to be heard by the Las Vegas City Council on September 15, 2004.

**Item 86** involves a review of a tavern license for Treasures, a sexually-oriented business, in Ward 1. You have informed me that you are a paid consultant for Treasures and as such, advise Treasures' management on advertising and public relations issues. The approval or disapproval of Treasures' tavern license will affect its business and possibly your business relationship with Treasures.

NRS 281.501(2) provides:

In addition to the requirements of the code of ethical standards, a public officer shall not vote upon or advocate the passage or failure of . . . a matter with respect to which the independence of judgment of a reasonable person in his situation would be materially affected by (c) his commitment in a private capacity to the interests of others.

NRS 281.501(8) defines "commitment in a private capacity to the interests of others" as a commitment to a person: (b) who is related to him by blood, adoption or marriage within the third degree of consanguinity or affinity, (c) who employs him . . . or (d) with whom he has a substantial and continuing business relationship.

It is the conclusion of the City Attorney that you should disclose the factual circumstances surrounding your potential conflicts on the record and abstain from the discussions and votes on all of the above-referenced items.

WPH:cm

Submitted at City Council

Date *9/15/04* Item *#86*



THE FOLLOWING  
229 PAGES WERE  
SUBMITTED FOR  
THE RECORD BY  
CITY ATTORNEY  
BRAD JERBIC

# INDEX

|       |                                                                                                              |
|-------|--------------------------------------------------------------------------------------------------------------|
| Tab 1 | Transcript of Licensing Hearing of February 21, 2001                                                         |
| Tab 2 | Transcript of Licensing Hearing of June 16, 2004                                                             |
| Tab 3 | Texas forfeiture materials (Texas Law, Notice of Seizure and Intended Forfeiture, Search Warrant Affidavit)  |
| Tab 4 | Materials regarding conviction of Treasures dancer - Jessica Crockett                                        |
| Tab 5 | Original Las Vegas Metropolitan Police Department (LVMPD) Privileged License Investigation Report (12/19/00) |
| Tab 6 | Auditor's Letter (9/8/04)                                                                                    |
| Tab 7 | Updated Erotic Dance Club Statistics (9/1/04)                                                                |

Submitted at City Council

Date 9/15/04 Item #86

*City of Las Vegas*

Agenda Item No. 73

**AGENDA SUMMARY PAGE****CITY COUNCIL MEETING OF: FEBRUARY 21, 2001****DEPARTMENT: FINANCE AND BUSINESS SERVICES****DIRECTOR: MARK R. VINCENT**☐**CONSENT**☒**DISCUSSION****SUBJECT:**

**ABEYANCE ITEM** - Discussion and possible action regarding Change of Ownership and Business Name for a Tavern Liquor License subject to the provisions of the fire codes and Health Dept. regulations, From: Ranger Building Corporation, dba Ranger Building Corporation, Jonna S. Foresta, Pres, Secy, Treas, Sigmund A. Rogich, Dir, Rogich Family Trust, 100%, Sigmund A. Rogich, Grantor, Trustee, To: D. Westwood, Inc., dba The Board Room, 2801 Westwood Drive, Ali Davari, Dir, Pres, Treas, 50%, Hassan Davari, Dir, Secy, 50% - Ward 3 (Reese)

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

Discussion and possible action regarding Change of Ownership and Business Name for a Tavern Liquor License

**RECOMMENDATION:**

Recommendation to be made following the discussion of the investigation by the Las Vegas Metropolitan Police Dept.

**BACKUP DOCUMENTATION:**

None

Submitted at the meeting: Memo from Mr. DiFiore with attached letter, draft Compliance Policy Manual, liquor license exhibits from Mr. Fiorentino, and reference letters from customers of Ali and Hassan Davari

**MOTION:**

**REESE** - Motion to **APPROVE** the license, subject to the conditions in the Compliance Policy Manual, immediate revocation at the first conviction for sexual misconduct without any legal action to be taken by the applicants, a six-month review after the establishment opens, and an immediate public hearing to be held if any problems should arise - **UNANIMOUS** with **M. McDONALD** abstaining because of his relationship with **MR. ROGICH**

**NOTE:** MAYOR GOODMAN disclosed that although ATTORNEY STEVE STEIN, who was co-counsel in this matter, was his law partner twelve years ago, they no longer have any type of relationship. He felt that he could remain impartial in this matter. CITY ATTORNEY JERBIC opined that since there is no ongoing business relationship and the Mayor feels comfortable, there is no conflict of interest and disclosure would suffice.

*City of Las Vegas***Agenda Item No. 73****CITY COUNCIL MEETING OF FEBRUARY 21, 2001****Finance and Business Services****Item 73 – Discussion and possible action regarding Change of Ownership and Business Name for a Tavern Liquor License from Ranger Building Corporation to The Board Room****MINUTES:****NOTE: A Verbatim Transcript is made a part of the Final Minutes.****APPEARANCES:****JIM DiFIORE, Manager, Business Services Division****SERGEANT REAGAN ALEXANDER, Las Vegas Metropolitan Police Department****BRAD JERBIC, City Attorney****MARK FIORENTINO, Attorney; Kummer, Kaempfer, Bonner, and Renshaw, 3800 Howard Hughes Parkway****DETECTIVE JOHN LARETTO, Las Vegas Metropolitan Police Department****LIEUTENANT PATRICK NEVILLE, Las Vegas Metropolitan Police Department****ALI "DAVE" DAVARI****HASSAN "GEORGE" DAVARI****PAUL NUGENT, Attorney, counsel for Ali and Hassan Davari on matters in Houston****NOTE: COUNCILMAN MACK directed MR. DiFIORE to confer with him on ways of raising the bar for sexually oriented businesses.****(11:39 – 1:06)****2-2417/3-1**

**CITY COUNCIL MINUTES  
MEETING OF  
FEBRUARY 21, 2001**

Page 1

**VERBATIM TRANSCRIPT: ITEM 73 -- DISCUSSION AND POSSIBLE ACTION REGARDING CHANGE OF OWNERSHIP AND BUSINESS NAME FOR A TAVERN LIQUOR LICENSE FROM RANGER BUILDING CORPORATION, DBA RANGER BUILDING CORPORATION TO D. WESTWOOD, INC., DBA THE BOARD ROOM, ALI DAVARI AND HASSAN DAVARI**

**MAYOR GOODMAN**

Item No. 73, discussion and possible action regarding change of ownership and business name for a tavern liquor license, subject to the provisions of the fire codes and Health Department regulations, from Ranger Building Corporation, doing business as Ranger Building Corporation to D. Westwood, Inc., doing business as The Board Room, located at 2801 Westwood Drive. The recommendation is to be made following the discussion of the investigation by the Las Vegas Metropolitan Police Department. Mr. DiFiore, be happy to hear from you now.

**JIM DIFIORE, MANAGER,  
BUSINESS SERVICES**

Okay.

**COUNCILMAN McDONALD**

Your Honor, before we start, I'm gonna be abstaining on this item related to my relationship with Mr. Rogich who owns the building now.

**MAYOR GOODMAN**

Thank you.

**JIM DIFIORE, MANAGER,  
BUSINESS SERVICES**

Mayor and members of the Council, during the investigation of the applicants, there was an area of concern that was developed by the Metropolitan Police Department. Sergeant Alexander, Detectives Hafen and Loretto are here to go over the background investigation.

**MAYOR GOODMAN**

Very good. Thank you, Mr. DiFiore. Sergeant Alexander.

**SERGEANT REAGAN  
ALEXANDER, LVMPD**

Mayor and Council, good morning. Once again, Sergeant Alexander from Metro. The investigative report, which you have been provided, along with an addendum for quick reference, as you know, has several areas of concerns. Most of the information, which this report is based on, was obtained through two agencies that are in Texas that handle enforcement matters of these privileged or regulated licenses. That is the Texas Alcohol and Beverage Commission, or TABC, and the Houston Police Department.

The report discusses nine clubs owned, or at one time owned by the applicants, the Davaries. They are Gigi's, Centerfolds, Gold Cup, Solid Platinum, Pleasures, Treasures, The Cover Girls, The Splendor. All of those are in Houston and there's one in Dallas. There's also one, Runway 66, in Canada. We did not travel there. We did travel to the Houston area, though, during the course of this investigation.

**CITY COUNCIL MINUTES  
MEETING OF  
FEBRUARY 21, 2001**

Page 2

**VERBATIM TRANSCRIPT: ITEM 73 - DISCUSSION AND POSSIBLE ACTION REGARDING CHANGE OF  
OWNERSHIP AND BUSINESS NAME FOR A TAVERN LIQUOR LICENSE FROM RANGER BUILDING  
CORPORATION, DBA RANGER BUILDING CORPORATION TO D. WESTWOOD, INC., DBA THE BOARD  
ROOM, ALI DAVARI AND HASSAN DAVARI**

The investigation revealed concerns in the following areas regarding the ownership and management of these businesses and, in brief, I'd like to just globally go over these: 1) concerns regarding discipline or acts that would constitute a crime; 2) concerns regarding unlawful, blatant, and continued sexual-related activity; 3) concerns over a documented high-volume of calls for police services; 4) concerns regarding incomplete or misleading information in the application for this license, that they presented to the City as well to us; 5) concerns regarding affidavits, which were introduced into evidence during a revocation hearing regarding one of the businesses; 6) concerns identified during an on-site visit by our detectives, which was as recent as of October of last year, October of 2000, of clubs owned by the applicants; and 7) which is not in the report but which is of most recent information, concerns regarding unlawful activity as recent as three weeks ago as reported to us by Houston PD.

Now, I have with me today, if you wish for further briefing and discussion of this matter, Detective Loretto. He was the lead investigator during the course of this investigation. Also with him is the secondary detective Andy Hafen. He's prepared to provide, if you wish, a basic synopsis of the investigative report. Due to the lengthy nature of the report, Detective Loretto has also broken down the information by club and in a chronological timeline addressing enforcement actions by both the TABC as well as the Houston Police Department, 'cause it's very important to look at those individually.

Or, if you'd like him just to answer any particular questions that the Council might have regarding this investigation, we're prepared to do so.

COUNCILMAN REESE

Sergeant, I do have one question. At any time in any of these clubs have they lost their license? Has their license been revoked?

SERGEANT REAGAN  
ALEXANDER, LVMPD

Their license has been suspended, but not revoked.

MAYOR GOODMAN

And before I participate I'd better ask Mr. Jerblc. I see Steve Stein was here. Is Steve Stein here now? All right, Steve was a law partner of mine about 12 years ago. We don't have any business relationship. We don't have any particular social relationship. I don't know whether he's

**CITY COUNCIL MINUTES  
MEETING OF  
FEBRUARY 21, 2001**

Page 3

**VERBATIM TRANSCRIPT: ITEM 73 – DISCUSSION AND POSSIBLE ACTION REGARDING CHANGE OF  
OWNERSHIP AND BUSINESS NAME FOR A TAVERN LIQUOR LICENSE FROM RANGER BUILDING  
CORPORATION, DBA RANGER BUILDING CORPORATION TO D. WESTWOOD, INC., DBA THE BOARD  
ROOM, ALI DAVARI AND HASSAN DAVARI**

representing anybody in these proceedings. I was under the impression at one point in time he was representing the Davaries, but I don't know whether that's accurate or not. Mr. Fiorentino?

ATTORNEY MARK FIORENTINO

Your Honor, Mark Fiorentino. I represent the applicants in this matter, and Mr. Stein is and continues to be the co-counsel in this matter. I don't know, unless you have specific questions for him, whether he's gonna make a presentation to you today. But he is present and he continues to be co-counsel.

MAYOR GOODMAN

Okay. I appreciate that. I was just concerned about the potential conflict. I don't feel that my relationship, as it presently exists nor as it was in the past, would in anyway affect my ability to sit impartially, but I think that I should definitely get your opinion on that, Mr. Jerbic.

CITY ATTORNEY JERBIC

I think that's right, Your Honor. I think under the level one analysis, clearly there's no conflict. There's no ongoing business relationship between you and Mr. Stein. There's no contractual relationship. And because of that, we would go to the level two analysis, which is whether or not you can remain objective in the weighing of the evidence as presented before the Council today. You've already answered that question. Given that, I don't believe that there's a conflict of interest that prohibits you from voting, but I think disclosure is appropriate.

MAYOR GOODMAN

Very good. Thank you. And with that in mind, Sergeant, do you have a recommendation? Because if, I think we're entitled to know your recommendation at this time, as far as whether or not this license should be approved.

SERGEANT REAGAN  
ALEXANDER, LVMPD

Your Honor, as always, we submit our investigative reports to the City Business License for them to provide you any recommendation based upon their research of our report with the facts and circumstances. So, I would defer to Mr. DiFiore.

MAYOR GOODMAN

All right. Very good. Mr. DiFiore, do you have a recommendation?

JIM DiFIORE, MANAGER,  
BUSINESS SERVICES

Mayor, this – item has been continued, I think, three times now, and we're here for the fourth time for this particular item. It was continued at the – request of Mr. Fiorentino and the compliance policy manual that he was gonna provide the City Council. Before I give my recommendation, and

**CITY COUNCIL MINUTES  
MEETING OF  
FEBRUARY 21, 2001**

Page 4

**VERBATIM TRANSCRIPT: ITEM 73 - DISCUSSION AND POSSIBLE ACTION REGARDING CHANGE OF OWNERSHIP AND BUSINESS NAME FOR A TAVERN LIQUOR LICENSE FROM RANGER BUILDING CORPORATION, DBA RANGER BUILDING CORPORATION TO D. WESTWOOD, INC., DBA THE BOARD ROOM, ALI DAVARI AND HASSAN DAVARI**

there are reasons why I'm gonna make my recommendations, I'd like to hear from Mr. Fiorentino on his compliance policy manual.

MAYOR GOODMAN

Okay. Well, I appreciate that. The reason that I wanted to know about the recommendation is, if it's a recommendation for denial, I certainly feel that Metro should give us all they have so we can make a judgment as to why the recommendation is such. If it's a recommendation for approval, then I don't have to hear from Metro; I'll just hear from Mr. Fiorentino.

JIM DIFIORE, MANAGER,  
BUSINESS SERVICES

Okay. It is a recommendation for denial.

MAYOR GOODMAN

Well, then I think Metro better set it on the record why the basis for your - coming to that decision.

JIM DIFIORE, MANAGER,  
BUSINESS SERVICES

Okay.

SERGEANT REAGAN  
ALEXANDER, LVMPD

Thank you, Your Honor, for allowing us to present this to you. As I said before, Detective John Loretto was the lead detective. I'd like John to come up now and to address Your Honor and Council, and he will give you, as I laid out, a brief synopsis of each club and chronologically all of the violations and concerns that - are included in that report that you have before you.

DETECTIVE JOHN LORETTO

Honorable Mayor and Council members, we'll try to keep this short, but it's quite a lengthy report, so if you could please bear with me.

Mr. Ali Davari was born in Iran along with his brother Hassan Davari. Ali Davari came to the United States in 1977. His brother followed. Correction. His brother was here in 1976. They received further education within the United States. And in 1986, with the sum of approximately \$12,000, they were able to enter into a liquor establishment/adult cabaret within Houston. That location is Gigi's. From 1986 till current, they've owned nine clubs, as Sergeant Alexander's already pointed out. This \$12,000 investment has grown to a multi-million dollar corporation for the two individuals.

But what I'm pointing out to you now is the cost to the Houston City in Texas in order for these guys to obtain their multi-million dollar corporation.



**CITY COUNCIL MINUTES  
MEETING OF  
FEBRUARY 21, 2001**

Page 5

**VERBATIM TRANSCRIPT: ITEM 73 - DISCUSSION AND POSSIBLE ACTION REGARDING CHANGE OF OWNERSHIP AND BUSINESS NAME FOR A TAVERN LIQUOR LICENSE FROM RANGER BUILDING CORPORATION, DBA RANGER BUILDING CORPORATION TO D. WESTWOOD, INC., DBA THE BOARD ROOM, ALI DAVARI AND HASSAN DAVARI**

To start off with Texas ABC, the information we received was predominantly through a - phone call to the Texas Alcohol and Beverage Commission. They - supplied us with the information they had. Whether there's more information before 1990, I'm unaware of. And the current information we have is as of two weeks ago. And I'll finish up with that.

From 1990 to 2000, starting with Gigi's. In 1990 to 1991, there was three different inspections of those, that location. Those three inspections resulted in \$2200, \$2,250 in fines levied against the business. That business was opened from 1986 to 1993.

Centerfolds was opened in 1990 and is still owned and operated by the applicants. There was nine different inspection dates at Centerfold by Texas ABC. And we have to understand that there's two different enforcement (inaudible) agencies here: TABC and the Houston Police Department.

Centerfolds was fined six, or \$12,600 from these nine inspection dates. Now, each inspection date, as you could refer to in your report has several violations on each date. It's not necessarily one inspection, one violation.

We go onto Gold Cup, which was opened in 1993. Three inspections resulted in \$6,000, \$6,060 in fines.

Solid Platinum, which was opened in 1993, had four inspections resulting in \$4,500 in fines. I'd like to note two of those fines, one of them, July 23 of 1994, was for refusing an inspection to the inspecting committee, the TABC. The explanation I received for this was it was a locked kitchen closet. They felt there was no need for them to go in there. I think we can all kinda understand, with a liquor license, that it's important that we be able to inspect the full premise, not just what they deem we need to inspect.

And then also, 3/11 in 1995, intoxicated employee on premise, which is also would be in violation of our codes here.

Pleasures was opened in 1995 and sold in 1996. That is their Dallas location. Now we contacted Dallas, it's their special investigation section, and they explained to us that there was not any derogatory information that they possessed against the applicants for the operation of that

**CITY COUNCIL MINUTES  
MEETING OF  
FEBRUARY 21, 2001**

Page 6

**VERBATIM TRANSCRIPT: ITEM 73 - DISCUSSION AND POSSIBLE ACTION REGARDING CHANGE OF OWNERSHIP AND BUSINESS NAME FOR A TAVERN LIQUOR LICENSE FROM RANGER BUILDING CORPORATION, DBA RANGER BUILDING CORPORATION TO D. WESTWOOD, INC., DBA THE BOARD ROOM, ALI DAVARI AND HASSAN DAVARI**

business. And I'll explain to you further as to the possible reason behind that. However, TABC did inspect their business on two separate occasions and they were fined zero dollars but they did have two violations during those two inspections.

Treasures was opened in 1995 and is still currently owned. They have had six inspections, with a total fine of \$4500. Two violations that I'd like to point out to you are the sell, delivery of drugs by an employee. And the other one, again, refusing inspection of a license premise.

Cover Girls has not been inspected with the information I was given by TABC. Now whether that's changed from here on out I'm unsure. As of yet, from 1999, when they were opened, to this date they have had no violations from TABC that were noted within the information given to me. And along with Splendors, which was supposed to open in 2000, as of our investigative travel in October of 2000, they had yet to open. I believe they were suited for November to open.

Of the Texas Alcohol and Beverage Commission, there was 27 inspections. Fifty-five violations were noted during those 27 inspections. Ten were criminal, eleven were warning. Thirty-four administrative cases were against their liquor license. For the 34 violations the applicants were given an option. Each violation resulted in you can close your door for three days, four days, ten days, thirty days. Whatever the Texas ABC saw fit. They also issued a comparable fine. If you would like not to close your doors, you may pay a fine. So, in lieu of closing their doors for a total of one hundred and sixty-six days, they were fined a total of \$28,400 from Texas ABC during this ten-year period.

Per a phone call to one of the Texas ABC agents who we made contact with while we were over there, he was supposed to have faxed me a copy of the current investigation that Sergeant Alexander was referring to. It was about three weeks ago. They have two violations on there that they furnished and sell of intoxicated liquor to a minor. I don't know of any other circumstances of that incident, because he was supposed to forward me a copy of that report, and this is as of last week when I spoke to him. However, he doesn't come back to work till Thursday of this week, and he said he was gonna do it on Monday. And I don't have a copy of that report for you. And I'm sorry for that.

**CITY COUNCIL MINUTES  
MEETING OF  
FEBRUARY 21, 2001**

Page 7

**VERBATIM TRANSCRIPT: ITEM 73 – DISCUSSION AND POSSIBLE ACTION REGARDING CHANGE OF OWNERSHIP AND BUSINESS NAME FOR A TAVERN LIQUOR LICENSE FROM RANGER BUILDING CORPORATION, DBA RANGER BUILDING CORPORATION TO D. WESTWOOD, INC., DBA THE BOARD ROOM, ALI DAVARI AND HASSAN DAVARI**

I would like to now switch over to Houston Police Department, the enforcement section there.

In May of 1996, the City of Houston proceeded with a revocation hearing against Centerfold, Gold Club (sic), Gold Cup, and Solid Platinum, with intent to revoke their sexually oriented business license. The Houston PD Vice Section had to conduct a numerous undercover operations, which lead to the City of Houston filing to revoke the SOB license of the listed club.

Here are the statistics of the investigation conducted from September 28 to 1994 through September 18<sup>th</sup> of 1996. There were 177 dancers contacted. Of them 134 were arrested. Twenty-four had warrants issued and 21 of the 177 were found not to be in violation. Of those arrested, 86.39% were actually convicted of what they were arrested for. The charges were usually one of four: public lewdness, prostitution, aggravated promotion of prostitution, or indecent exposure.

The rest of the statistics for 15 clubs showed an average of 15.8 arrests per clubs. The average for Centerfold, Gold Cup, or Solid Platinum was 51 each. Of the other a hundred and nineteen SOB's in, which stands for sexually oriented businesses, in Houston only one had more than 40 arrests, and that was at Michaels International.

I have a breakdown, which you can refer to in your report, that explains all of the arrests and problems with each club there. And it should be noted that neither of the applicants on their application listed any problems with the Houston Police Department or the City of Houston. The only thing they referred to in their report was the TABC. And that was merely explained by saying we've had numerous fines and suspensions in lieu, or fines in lieu of suspensions. Contact TABC for further. That's all they've explained to us as far as problems with their license.

I would like to point out the Houston Police Department also has responded to, from the dates approximately 1 of '94 to 11 in '96 at Centerfolds one hundred and fifty-six calls for service. Gold Cup from 1 of '94 to 11 of '96 one hundred and seven calls for service. Along with Solid Platinum from 11 of '94 to 11 of '96, 59. If we add all those calls up, that's just about one every third day a police officer's responding to their place of business, of those three locations.

CITY COUNCIL MINUTES  
MEETING OF  
FEBRUARY 21, 2001

Page 8

VERBATIM TRANSCRIPT: ITEM 73 - DISCUSSION AND POSSIBLE ACTION REGARDING CHANGE OF OWNERSHIP AND BUSINESS NAME FOR A TAVERN LIQUOR LICENSE FROM RANGER BUILDING CORPORATION, DBA RANGER BUILDING CORPORATION TO D. WESTWOOD, INC., DBA THE BOARD ROOM, ALI DAVARI AND HASSAN DAVARI

And you have to understand the reason why we have information predominantly on these three locations is because that's what the City of Houston obtained to go for the revocation hearing.

During the revocation hearing, they pulled forward several affidavits that are very graphic in detail and you could refer to them in your report. Some of them that I've picked here to explain to you are short and brief.

MAYOR GOODMAN

Basically, officer -

DETECTIVE JOHN LORETTO

Would you -

MAYOR GOODMAN

- we - do have the report and you can make reference to that. Mr. Fiorentino, you've seen, have you received the confidential report?

ATTORNEY MARK FIORENTINO

Your Honor, yes. We have been allowed to review it.

MAYOR GOODMAN

Okay.

ATTORNEY MARK FIORENTINO

I have not received the addendum that was referred to earlier today, but we were allowed to review the original report.

MAYOR GOODMAN

Okay.

ATTORNEY MARK FIORENTINO

We have read it.

MAYOR GOODMAN

All right. Thank you. I just wanted you to be in a position where you're able to respond to - the report here. And I think at this point in time we sort of have a good idea as to the - report? I'd like to hear from Mr. Fiorentino, unless there's additional need to hear from the officer? Is that all right?

COUNCILMAN REESE

That's fine.

MAYOR GOODMAN

All right, Mr. Fiorentino? Sergeant. Yes.

SERGEANT REAGAN  
ALEXANDER, LVMPD

Yes, Your Honor, I was just going to, I wanted to confirm if you would like us, for my detective to mention that, because it is very graphic in nature, or if you are okay with just reviewing it, what's in front of it?

CITY COUNCIL MINUTES  
MEETING OF  
FEBRUARY 21, 2001

Page 9

VERBATIM TRANSCRIPT: ITEM 73 – DISCUSSION AND POSSIBLE ACTION REGARDING CHANGE OF OWNERSHIP AND BUSINESS NAME FOR A TAVERN LIQUOR LICENSE FROM RANGER BUILDING CORPORATION, DBA RANGER BUILDING CORPORATION TO D. WESTWOOD, INC., DBA THE BOARD ROOM, ALI DAVARI AND HASSAN DAVARI

MAYOR GOODMAN

I'm okay with it. I just wanted to make sure that Mr. Fiorentino has the information before him so he could respond to it.

SERGEANT REAGAN  
ALEXANDER, LVMPD

On that, he has reviewed that document that you're looking at. The addendum, Mr. Fiorentino, is, we can supply to you. It is just basic paperwork that was included in the overall report.

ATTORNEY MARK FIORENTINO

I'll take you're word for it.

MAYOR GOODMAN

Okay. Thank you. So --

COUNCILMAN BROWN

Your Honor?

MAYOR GOODMAN

Yes, Councilman.

COUNCILMAN BROWN

I just need to ask a question. Perhaps it's background or clarification. But I think this is the first, I'm not sure if it's the first SOB here in Las Vegas that's before this Council in the last few years. But my question would deal with perspective or comparisons. A lot of the statistics that are being referenced, I have -- no doubt that they're accurate. But if there's any way during today's public hearing that we could put that in perspective as far as the additional clubs in Houston or what the SOB industry at large, if there's a standard. And specifically there was some arrests referenced. I think there was prostitution. Something leading up to prostitution. Indecent exposure. These all, I think, I need to understand more than just the hard numbers, but more of a -- global perspective of the industry. And you don't have to answer it now, but at the end of the public hearing, what we're reading and what we're hearing, is it bad by industry standard, be it national or Las Vegas standards? I think if either Metro or Mr. DiFiore or even the applicant can help during this presentation clarify that perspective, it would help my opinion.

COUNCILMAN REESE

Okay. And if I could, Your Honor, I would just like to put something out there that I'm very concerned about. And that is the industry itself, you know, we've -- heard a number of cases where citations was issued. And my problem, I guess, is, and that's why I asked the first question that I ask, because I feel that it's easy to pay a fine rather than have your doors closed. And, you know, we can have all kinds of citations issued and fines paid, but are we in fact even

**CITY COUNCIL MINUTES  
MEETING OF  
FEBRUARY 21, 2001**

Page 10

**VERBATIM TRANSCRIPT: ITEM 73 – DISCUSSION AND POSSIBLE ACTION REGARDING CHANGE OF OWNERSHIP AND BUSINESS NAME FOR A TAVERN LIQUOR LICENSE FROM RANGER BUILDING CORPORATION, DBA RANGER BUILDING CORPORATION TO D. WESTWOOD, INC., DBA THE BOARD ROOM, ALI DAVARI AND HASSAN DAVARI**

making a dent into, and I'm not gonna ask for a – record of his income tax for the last, the applicant's income tax for the last hundred years, but I – feel that if they understand from get go that here we may not make, have a fine. It may be the revocation of that license the first offense. I can see him paying a fine and going right on and continue to make the – dollars. So, I don't feel like that a fine sometimes hurts a – businessman. And I just want to put that on the record right now as we go through this hearing.

**MAYOR GOODMAN**

And the only question I have at this moment of the officers, and it probably dovetails into what Councilman Brown was referring to. By Las Vegas standards, is the conduct, which we have before us in our report, would it be – similar to the type of activity that takes place in these adult businesses in Las Vegas or is it less or is it more?

**SERGEANT REAGAN  
ALEXANDER, LVMPD**

Your Honor, that wasn't incorporated in this report. What we wanted to provide, though, based upon those figures, during that arrest cycle, during that arrest time, what we wanted to include, which – is included, is that the arrest statistics from the Houston Police Department Vice Section showed that 15 of the area clubs, other clubs had an average of 15.8 arrests per club. The average for just Centerfolds, Gold Club (sic), and Solid Platinum, three of the nine clubs that – the applicants own, or owned, were 51 each.

**MAYOR GOODMAN**

Sergeant, I guess I didn't make myself clear. What – I'm asking is this. I'm asking – this – report, at least to myself, is a pretty graphic, salacious, raw report. I don't think there's any other way that we – could express it. And I'd like to know whether or not you believe this kind of activity at this level of activity is taking place in Las Vegas and the other SOB establishments.

**LIEUTENANT PATRICK NEVILLE**

Good morning. Lieutenant Neville, Special Investigations Section. Mayor Goodman, Councilman Brown, to answer your questions, I don't have the documentation or the numbers directly here before me. I've directed my staff to contact Vice so that we can – get some numbers so that we can make that. If you would like to defer that to later today or at another time, I'd be more than happy to provide that. But we do have the mechanisms in place to get that information to you as quickly as we possibly can.

**MAYOR GOODMAN**

Well, maybe I have to ask the question more simply then. There are acts which are very graphic and they're discovered by law enforcement officers where the girls are

**CITY COUNCIL MINUTES  
MEETING OF  
FEBRUARY 21, 2001**

Page 11

**VERBATIM TRANSCRIPT: ITEM 73 – DISCUSSION AND POSSIBLE ACTION REGARDING CHANGE OF OWNERSHIP AND BUSINESS NAME FOR A TAVERN LIQUOR LICENSE FROM RANGER BUILDING CORPORATION, DBA RANGER BUILDING CORPORATION TO D. WESTWOOD, INC., DBA THE BOARD ROOM, ALI DAVARI AND HASSAN DAVARI**

engaging in sexual conduct, not a dance, not a lap dance. Sexual conduct that is described very vividly here. You've read the report, I'm sure?

LIEUTENANT PATRICK NEVILLE Yes, I have.

MAYOR GOODMAN Okay. Is that kind of conduct happening in other establishments, SOB licensed establishments in Las Vegas at this time?

LIEUTENANT PATRICK NEVILLE Mayor, I was just informed that Mr. DiFiore has some numbers that may enlighten you in that area. I can't speak.

MAYOR GOODMAN It's sort of a yes or no question. I'm asking whether or not this kind of activity is taking place at the other places at this time in Las Vegas.

LIEUTENANT PATRICK NEVILLE To answer your question, it would be based on my experience?

MAYOR GOODMAN Yes, of course.

LIEUTENANT PATRICK NEVILLE No. It's not.

MAYOR GOODMAN Okay. Fair enough. I'm glad to hear that.

COUNCILMAN BROWN And –, Your Honor, just to further clarify, just this statistic – and again, let me preface my remarks by saying I understand the report. I believe the numbers in the report. It's 100% accurate. But even the number that you just gave, Sergeant, was 15.8% in the other clubs and 51% of three out of the nine Davari brother owned or previously owned clubs. What would nine out of nine, would that 51% go back towards 15 point. I just need – Again, the important thing is this is graphic, it's detailed, but compared to what?

DETECTIVE JOHN LORETTO Sir, I understand your question. And to explain to you, that's what I tried to point out is that we are just focused in on these three clubs because that's the information that was compiled. The other clubs were either opening and closing during this time period. So it's not like they had all this information. These were the three clubs that were causing them the most problems. That's the clubs that the City of Houston was going out to revoke their license. That's the information we were provided. The arrest statistics for 15 clubs, that's also what was used during their revocation hearing to compare them to the other area clubs. So that's

**CITY COUNCIL MINUTES  
MEETING OF  
FEBRUARY 21, 2001**

Page 12

**VERBATIM TRANSCRIPT: ITEM 73 -- DISCUSSION AND POSSIBLE ACTION REGARDING CHANGE OF  
OWNERSHIP AND BUSINESS NAME FOR A TAVERN LIQUOR LICENSE FROM RANGER BUILDING  
CORPORATION, DBA RANGER BUILDING CORPORATION TO D. WESTWOOD, INC., DBA THE BOARD  
ROOM, ALI DAVARI AND HASSAN DAVARI**

what was also given to us within the information. If that helps.

COUNCILMAN BROWN

Thank you. That helps. It does. Thank you.

MAYOR GOODMAN

All right. Thanks. Mr. Fiorentino. Sergeant, do you have something you wanted to add?

SERGEANT REAGAN  
ALEXANDER, LVMPD

I was just gonna point out, Mr. DiFiore has reminded, we were, if I may bring this up, it was another investigation we were involved in with the Forbidden Club. I don't know if you remember that coming before Council last year. There were some statistics that were drawn at that time for calls for service, if you will, arrests from the area clubs. And Mr. DiFiore reminded me about that and, if possible, he has the exact numbers which will give an idea perhaps as to what degree this would relate to to the clubs here.

JIM DIFIORE, MANAGER,  
BUSINESS SERVICES

Yes, over a period of two years, being 1998 and 1999, Sergeant Cannito at that time, through his office, we ran a list of arrests from all of the clubs, which would include Clark County and Las Vegas, there was a total of 54 arrests, Clark County and Las Vegas both for those two years.

UNIDENTIFIED GENTLEMAN

Total.

MAYOR GOODMAN

All right. Thank you. Mr. Fiorentino.

ATTORNEY MARK FIORENTINO

Thank you, Your Honor.

COUNCILWOMAN McDONALD

Can I ask just one brief question?

MAYOR GOODMAN

Yes, (inaudible)

COUNCILWOMAN McDONALD

I just have one brief question before you begin. About 12 years ago, I had, you know, lived in Texas and, you know, was a news reporter and covered the TABC from time to time and so I just wanted to see if the laws have changed in that 12-year period. Back then it was a pretty common adjudication procedure to have fines paid. That was a pretty commonplace thing if you had any type of offense on the TABC. It was very rare that you would have a court case. It was very common place that anyone that went before the TABC in any type of circumstance, you know, paying a fine was a very common practice. Is that, was that your today, you know, information? Did you see that same trend or has it changed somewhat?



CITY COUNCIL MINUTES  
MEETING OF  
FEBRUARY 21, 2001

Page 13

VERBATIM TRANSCRIPT: ITEM 73 – DISCUSSION AND POSSIBLE ACTION REGARDING CHANGE OF OWNERSHIP AND BUSINESS NAME FOR A TAVERN LIQUOR LICENSE FROM RANGER BUILDING CORPORATION, DBA RANGER BUILDING CORPORATION TO D. WESTWOOD, INC., DBA THE BOARD ROOM, ALI DAVARI AND HASSAN DAVARI

DETECTIVE JOHN LORETTO From the information I received, which is pretty much in the report, it's up to the person who is being fined. You can close your doors for a certain amount of days, comparable to the offense, or you can pay the fine. Most businesses are probably gonna lose more financially by closing the doors; therefore, it's easier for them to pay the fine.

COUNCILWOMAN McDONALD So that is still very common –

DETECTIVE JOHN LORETTO Every one of the violations that I received from them, it was always pay the fine; it was never close the door.

COUNCILWOMAN McDONALD And then the other question, if my memory still serves me well, and the law could have changed in 12 years. Liquor licenses in Texas are given a one-year durations?

SERGEAN REAGAN  
ALEXANDER, LVMPD You may have to repeat that. I'm sorry.

DETECTIVE JOHN LORETTO You're asking if it's for one year in duration? That's correct. They always, every year they come up for renewal.

COUNCILWOMAN McDONALD Okay, and so in that time they would have each year an opportunity to have some kind of hearing or review before the commission and they could opt –

DETECTIVE JOHN LORETTO Correct.

COUNCILWOMAN McDONALD – you know, to renew or revoke at that time.

DETECTIVE JOHN LORETTO Correct. And if you refer to the pamphlet that was handed you with some of the documents in it from us –

COUNCILWOMAN McDONALD Um, hum –

DETECTIVE JOHN LORETTO – the, get the exact exhibit number for you. It'd be under Exhibit 3. There's two letters there from the captain of the vice division to the TABC explaining that: we are of the opinion that this establishment is not what your commission intended to license and we stand ready to support your agency should you decide to deny the re-issuance of the liquor license for Solid Platinum. And then the other one is for Centerfolds.

So, the police department there put forth their letters to the TABC. Now, whatever reason TABC has, they choose to operate the way they do.

**CITY COUNCIL MINUTES  
MEETING OF  
FEBRUARY 21, 2001**

Page 14

**VERBATIM TRANSCRIPT: ITEM 73 – DISCUSSION AND POSSIBLE ACTION REGARDING CHANGE OF  
OWNERSHIP AND BUSINESS NAME FOR A TAVERN LIQUOR LICENSE FROM RANGER BUILDING  
CORPORATION, DBA RANGER BUILDING CORPORATION TO D. WESTWOOD, INC., DBA THE BOARD  
ROOM, ALI DAVARI AND HASSAN DAVARI**

And I would just like to state a little further on closing their doors. They did have to close their doors but it was relevant to the City of Houston revocation hearing, not because of the TABC violations. So there was two separate type of entities there that were enforcing closing their doors. So they did close their doors and it's explained in the report: Centerfolds had to close their doors for a period of 20 days and pay the \$50,000 – and to explain it right – to the City of Houston to cover attorney fees, cover cost, attorney's fees and to avoid potential loss of income due to further suspension or revocation of the club's SOB permit. And then Gold Cup was again 20 days and \$50,000. And Solid Platinum agreed to pay \$100,000 in lieu of closing their doors at all.

COUNCILWOMAN McDONALD

And I guess the last question I have was there any, I guess, public record that, you know, despite these letters coming from the City of Houston as to why the license was renewed?

DETECTIVE JOHN LORETTO

I cannot answer that. There was no explanation as to why they continued to renew it. I did ask, however – We here do suitabilities of applicants. The way it was explained to me in Texas is it's suitability of location only. They do not necessarily look at the suitability of the applicant as much as we do here.

COUNCILWOMAN McDONALD

Thank you.

COUNCILMAN BROWN

And –

MAYOR GOODMAN

Mr. Fiorentino? Oh.

COUNCILMAN BROWN

I'm – sorry, Your Honor, but Councilwoman brings up a good point. And perhaps either our attorney or Mr. DiFiore, that suitability question, as it's agendaed today, could you explain what – we are determining today as far as the suitability?

MAYOR GOODMAN

So would I.

COUNCILMAN BROWN

I think the location in Houston is more of a person in Las Vegas. So, again, for background, if you could just clarify that issue.

CITY ATTORNEY JERBIC

The Council has broad latitude under 6.50 regarding privileged licenses to determine the suitability of applicants

**CITY COUNCIL MINUTES  
MEETING OF  
FEBRUARY 21, 2001**

Page 15

**VERBATIM TRANSCRIPT: ITEM 73 – DISCUSSION AND POSSIBLE ACTION REGARDING CHANGE OF  
OWNERSHIP AND BUSINESS NAME FOR A TAVERN LIQUOR LICENSE FROM RANGER BUILDING  
CORPORATION, DBA RANGER BUILDING CORPORATION TO D. WESTWOOD, INC., DBA THE BOARD  
ROOM, ALI DAVARI AND HASSAN DAVARI**

to run a particular business. They involve, according to the chapter, and I'll read it verbatim: The City Council declares that liquor control is an exercise of its regulatory powers delegated to the City Council by the State. I'm reading this (inaudible). The regulations contained in this chapter involve to the highest degree the economic, social, physical, and moral well being of the residents and the taxpayers of the City. The sale or other disposition of alcoholic beverages is not a matter of right but of privilege, which would otherwise be unlawful if it were not exercised pursuant to a license. This privilege may be denied, revoked, conditioned, or suspended by any disciplinary action by the Council – and it goes on to say – for the protection of the safety, welfare, health, peace, and morals of the residents of the taxpayers of the City.

Under that very broad language, you are quite able, based upon the facts presented to the Council, to determine whether or not these applicants meet those standards as individuals who are economically, socially, physically, and morally suited to hold a privileged license with the City of Las Vegas.

COUNCILMAN BROWN

Thank you, Your Honor.

MAYOR GOODMAN

Thank you. Sergeant? We'll give you plenty of time, Mr. Fiorentino.

ATTORNEY MARK FIORENTINO

Thank you, Your Honor.

SERGEANT REAGAN  
ALEXANDER, LVMPD

Mr. Fiorentino, thank you for your patience. Your Honor, I'd like my detective to be allowed just to conclude with the most recent information in regards to our travel there in October of 2000 –

MAYOR GOODMAN

Very good.

SERGEANT REAGAN  
ALEXANDER, LVMPD

– if you'd permit that.

MAYOR GOODMAN

Certainly.

DETECTIVE JOHN LORETTO

And, again, sorry for the time, but it is quite lengthy. This section, however, though, is not as long. It should be noted that upon arriving in October, we contacted Houston Vice, and they sent a lieutenant and a sergeant to accompany us in an undercover capacity to inspect the clubs.

**CITY COUNCIL MINUTES  
MEETING OF  
FEBRUARY 21, 2001**

Page 16

**VERBATIM TRANSCRIPT: ITEM 73 – DISCUSSION AND POSSIBLE ACTION REGARDING CHANGE OF  
OWNERSHIP AND BUSINESS NAME FOR A TAVERN LIQUOR LICENSE FROM RANGER BUILDING  
CORPORATION, DBA RANGER BUILDING CORPORATION TO D. WESTWOOD, INC., DBA THE BOARD  
ROOM, ALI DAVARI AND HASSAN DAVARI**

Prior to going to the clubs, they explained to me that during September they had conducted several investigations based on citizen complaints reference illegal activities at Treasures Club. During this investigation that occurred on four occasions within a seven-day period, there were numerous violations. The violations again were public lewdness, prostitution, indecent exposure, and liquor violations.

Of the twenty-eight dancers received by the undercover officers, only two were found to be in, not in violation. There were twenty-three for public lewdness, one prostitution, two indecent exposures, four no dance license violation, and three liquor license violations. There was one arrest of the manager, which I think is important, for violating the SOB code by failing to manage to ensure entertainers comply with the no touch and three-foot ordinance.

Now what we observed when we were there, we went into Centerfolds, and we observed several dances occurring throughout the club and none of which were in compliance with the three-foot rule, which is set by the Houston ordinance. A female dancer came up and sat down, well, it gets very graphic. That part's actually in the report too, so I'll probably defer that.

MAYOR GOODMAN

That's your choice. I mean, I was just trying – to spare feelings here. But whatever you feel is necessary you tell us.

SERGEANT REAGAN  
ALEXANDER, LVMPD

I think it's necessary. Just go ahead and explain it to them. Just go ahead and explain it.

DETECTIVE JOHN LORETTO

Well, we're there in October and the Houston lieutenant is sitting, we're sitting down at a table of four and one of the female dancers comes up and sits on the Lieutenant's lap, at which time she takes his hand and sticks it in between her legs. Now, shortly after she then gets up performs a dance for myself, at which she rubbed her body all over me in violation of the three-foot rule. She also grabbed my genitalia, clothed genitalia and she was then paid for her dance and she – was, left the table. I asked the lieutenant, you know, about his hand being between her legs, and he explained to me that she actually penetrated her own vagina with his thumb under her G string that she was wearing, and then he had to get up and go wash his hands because of this. And we then proceeded, we left this club and we went

**CITY COUNCIL MINUTES  
MEETING OF  
FEBRUARY 21, 2001**

Page 17

**VERBATIM TRANSCRIPT: ITEM 73 – DISCUSSION AND POSSIBLE ACTION REGARDING CHANGE OF  
OWNERSHIP AND BUSINESS NAME FOR A TAVERN LIQUOR LICENSE FROM RANGER BUILDING  
CORPORATION, DBA RANGER BUILDING CORPORATION TO D. WESTWOOD, INC., DBA THE BOARD  
ROOM, ALI DAVARI AND HASSAN DAVARI**

thing was occurring as far as violations of the three-foot rule. Nobody was in observance of that.

And we felt that we were burned because the lieutenant and the Vice sergeant were not generally undercover. So due to the actions of the manager, walking around and standing directly by us and no dancers approaching us, we felt that it was kind of obvious who we were and what we were doing there.

At that time I walked around the club myself. They have a second floor of Gold Cup, at which I observed a female dancer. She was kind of standing on the chair and the male patron was sitting in the chair and she was rubbing her pubic area clothed, but she was rubbing it in this gentleman's face. And that was just very graphic to myself.

In conclusion, this investigation has revealed numerous TABC violations, along with City of Houston violations. These violations have cost the applicants \$228,000 in fines. And there, again, if I can answer any questions for you at this time or give it to Mr. Fiorentino.

MAYOR GOODMAN

Okay. Thank you.

COUNCILMAN REESE

I certainly appreciate your time and effort and, you know, this is, I think, one of those type of hearings that it's – hard to understand that a person that has money invested can allow stuff like this to go on. But I do appreciate Metro's efforts and – what they've done.

MAYOR GOODMAN

Okay. Mr. Fiorentino, finally.

ATTORNEY MARK FIORENTINO

Thank you, Your Honor. I actually have a presentation, which I hope to be relatively brief, at least in comparison anyway. And that I would, I'm gonna try to address specific concerns without necessarily going through the report page by page, unless you have specific questions.

I do represent the applicants in this matter. George and David Davari are here. They're in the front row. They don't mean any disrespect by not standing at the podium, but if you have questions for 'em, that's why they're in the front row. They will certainly come forward and – ask them, or answer them for you.

**CITY COUNCIL MINUTES  
MEETING OF  
FEBRUARY 21, 2001**

Page 18

**VERBATIM TRANSCRIPT: ITEM 73 - DISCUSSION AND POSSIBLE ACTION REGARDING CHANGE OF OWNERSHIP AND BUSINESS NAME FOR A TAVERN LIQUOR LICENSE FROM RANGER BUILDING CORPORATION, DBA RANGER BUILDING CORPORATION TO D. WESTWOOD, INC., DBA THE BOARD ROOM, ALI DAVARI AND HASSAN DAVARI**

I did want to honestly thank the Council and thank Mr. DiFiore and thank Sergeant Alexander for at least having the patience to allow us to hold this, so we could have an opportunity for reviewing at least most of the report that you've been presented and to try to address some of those concerns, and - I hope, in my presentation to you, I demonstrate that we did try to at least address those concerns, at least ever since I've been involved in this application.

Maybe just a little bit of background. David and George Davari have been operating adult nightclubs for approximately 15 years. So, please keep that in the context of the number of citations you hear. In that time, they personally have never been arrested or charged with any crime, have never had a license revoked. And I'll get into that in a little bit more detail. They currently own six clubs, both in the United States and Canada, and they hold numerous liquor licenses and adult entertainment licenses in various different jurisdictions and have never had one revoked and have never been refused a new one when they have applied for 'em in these same jurisdictions where these allegations have been raised.

The first, I - passed out to you a -, just a booklet of exhibits. I won't go into 'em in detail, but I wanna cover 'em unless you have specific questions. Behind tab one, I've given you copies of, not all, but some of the licenses that have been issued to the Davaries.

COUNCILMAN REESE

Mr. Fiorentino, if you could, I would like to, for my own edifice, I guess, is to have you, okay, state the location where the application is to be and to kinda tell us what they're gonna tell us what they're going to do with the building if they are, license is accepted. Maybe have a rendering.

ATTORNEY MARK FIORENTINO

That was actually my next, the next part of my presentation. But I wanted to point out, at least behind tab one, something I think is very significant for you. Within the last 20 days, the City of Houston has issued a renewal to these same individuals for their sexually oriented business. And to respond to a previous question that came up, I asked these questions of the attorneys. I went out to Houston myself and asked. The Davaries have two different attorneys. One that handles the TABC matters and one that handles the other matters. And I asked that question specifically: How does it

**CITY COUNCIL MINUTES  
MEETING OF  
FEBRUARY 21, 2001**

Page 19

**VERBATIM TRANSCRIPT: ITEM 73 – DISCUSSION AND POSSIBLE ACTION REGARDING CHANGE OF OWNERSHIP AND BUSINESS NAME FOR A TAVERN LIQUOR LICENSE FROM RANGER BUILDING CORPORATION, DBA RANGER BUILDING CORPORATION TO D. WESTWOOD, INC., DBA THE BOARD ROOM, ALI DAVARI AND HASSAN DAVARI**

work there? And it is a little bit different then it is in Las Vegas. With respect to both your liquor license and your sexually oriented businesses, as I've been told, you don't automatically renew every year. You have to come back and you have to go through a hearing process to be either issued one or renewed a liquor license. That is, I think, particularly relevant with respect to the – Texas Alcohol and Beverage Commission because they have, throughout this entire process, always had the right to just simply not review licenses if they thought that the activity that was occurring there or that was alleged there was beyond the norm of what other people experience in – the City of Houston, or in Texas in general.

To answer your question, Councilman Reese, I will ask you to bear with me for a second. These obviously have not been approved by your zoning department. So these aren't finalized, but they, we have spent a great deal of time working on designing this building. It's a location I think everybody's familiar with. It backs up to I-15, south of Sahara, between Industrial and I-15. It is zoned M-1. It is appropriate location for a sexually oriented business. In fact, you have already issued a sexually oriented business to the Davari brothers for this specific site. What you have before you today is the transfer of the liquor license, but they have already been issued an adult entertainment license at that location.

The reason I brought these was to – hope that they demonstrated to you that these individuals are talking about making a substantial investment in this site and in the City in this particular location. They are paying a great deal of money and this is, these are exterior elevations. And this is a rendering of what the interior lobby (inaudible). We propose to have two floors. This will be the staircase that led to the second floor.

My only purpose in showing you these, again, is to hope, I hope, demonstrate to you that this is something we –

UNIDENTIFIED GENTLEMAN

I'm sorry.

ATTORNEY MARK FIORENTINO

– have spent a great deal of time and effort working on and to show you that we intend to build a first-class, first-rate facility here. And we will spend in excess of \$7 million on this facility, if we're fortunate enough to gain your approval, and it may be as much as 10 or \$11 million, depending on actually how things are worked out.

**CITY COUNCIL MINUTES  
MEETING OF  
FEBRUARY 21, 2001**

Page 20

**VERBATIM TRANSCRIPT: ITEM 73 – DISCUSSION AND POSSIBLE ACTION REGARDING CHANGE OF OWNERSHIP AND BUSINESS NAME FOR A TAVERN LIQUOR LICENSE FROM RANGER BUILDING CORPORATION, DBA RANGER BUILDING CORPORATION TO D. WESTWOOD, INC., DBA THE BOARD ROOM, ALI DAVARI AND HASSAN DAVARI**

As I pointed out to you, neither one of these two individuals has ever personally been charged with any crime. And I, they both, again, as near as I can – determine are recognized as reputable human beings and people and businessmen in the Houston community, not only based on the – licenses that have been issued to 'em, but by what people say about them, and I, that's what behind tab two of the booklet that I gave you. This is a number of letters of support or character letters or, so forth, from people who know the Davaries in Houston. They range from public accountants to doctors to neighbors of the clubs where the – Davaries operate in Houston to business people that the Davaries are associated with to corporate customers of the Davaries and they all speak highly of their – character and their ability to make a promise to you and to keep it, and I hope that is important to you as you're making your decision today.

MAYOR GOODMAN

Excuse me. Councilman Brown?

COUNCILMAN BROWN

Thank you, Your Honor. Mr. Fiorentino, would you comment, on tab one, my understanding is you've represented that your client has never been denied a sexually oriented business application in the City of Houston?

ATTORNEY MARK FIORENTINO

That's what I have been told. I believe that to be true.

COUNCILMAN BROWN

And that is on annual basis? I guess, this may be a follow-up to Councilwoman's inquiry.

ATTORNEY MARK FIORENTINO

Yes. Each of those, as I understand it, each of their licenses and they hold multiple ones, are reviewed annually for a decision on whether they should be re-issued or not. The first page of tab one is a renewal, a re-issuance of one of the clubs that were referenced in the report that Metro made to you.

COUNCILMAN BROWN

And – I'm looking at that letter right now. And what strikes me as peculiar is it – states that your enterprise has met all of the requirements of the SOB ordinance, Chapter 28 such and such. So, I – guess, I would then turn to Mr. DiFiore or perhaps Metro and just ask, as far as, from what we've been told statistically, can we offer an opinion on why the City would be continually renewing these licenses? Is it a meeting of a minimum standard or a minimum requirement



**CITY COUNCIL MINUTES  
MEETING OF  
FEBRUARY 21, 2001**

Page 21

**VERBATIM TRANSCRIPT: ITEM 73 – DISCUSSION AND POSSIBLE ACTION REGARDING CHANGE OF OWNERSHIP AND BUSINESS NAME FOR A TAVERN LIQUOR LICENSE FROM RANGER BUILDING CORPORATION, DBA RANGER BUILDING CORPORATION TO D. WESTWOOD, INC., DBA THE BOARD ROOM, ALI DAVARI AND HASSAN DAVARI**

or – These two just – Or maybe I should direct it to the attorney?

MAYOR GOODMAN

Mr. Jerbic?

CITY ATTORNEY JERBIC

I think it's important at the beginning of the hearing to differentiate between a sexually oriented business license and a liquor license. A sexually oriented business license is almost a first amendment privilege in this country. It is almost impossible not to give one. They are not given out as privileged licenses. They are given out as a right under the constitution because the US Supreme Court has found that erotic dancing is a form of First Amendment expression. And, therefore, you can have in this town and other places a sexually oriented business license without liquor.

And those licenses aren't tied to conditions other than the standard conditions that exist in the criminal law. A liquor license is a privileged license that you get as a matter of right. I read the standards for approving those. So, the issuance of a sexually oriented business license, unless in Texas that has something with it that is different than the – City of Las Vegas and the State of Nevada is merely saying that you have a right to conduct your First Amendment business. It does not, and certainly in the City of Las Vegas, in any way, shape, or form look at the privilege aspect of the license as does the liquor license.

MAYOR GOODMAN

Thank you.

ATTORNEY MARK FIORENTINO

Councilman Brown, maybe if I could, 'cause I –

COUNCILMAN BROWN

If –

ATTORNEY MARK FIORENTINO

– don't necessarily disagree with what he said. But I have a different perspective on it, I think.

COUNCILMAN BROWN

And before I hear your perspective, I, again, to Mr. Jerbic or – to Mr. DiFiore. Am I then looking at documentation that regardless of what the Texas Alcohol Beverage Commission states, that Houston, as long as the licensing requirements are met, are going to renew this SOB component? They are independent?

CITY ATTORNEY JERBIC

They should be independent. I think, constitutionally, they – have to be independent. I would go further to state that revocation of a sexually oriented business license would be

**CITY COUNCIL MINUTES  
MEETING OF  
FEBRUARY 21, 2001**

Page 22

**VERBATIM TRANSCRIPT: ITEM 73 – DISCUSSION AND POSSIBLE ACTION REGARDING CHANGE OF OWNERSHIP AND BUSINESS NAME FOR A TAVERN LIQUOR LICENSE FROM RANGER BUILDING CORPORATION, DBA RANGER BUILDING CORPORATION TO D. WESTWOOD, INC., DBA THE BOARD ROOM, ALI DAVARI AND HASSAN DAVARI**

almost impossible on a permanent basis. In the eyes of the court, and pardon me, Mr. Moeller, for (inaudible), it's no different than the Review Journal. It's an expression of First Amendment speech. You wouldn't be able to take a newspaper's business license for an indefinite period of time for a violation of the law, nor would you be able to take away an SOB license indefinitely. You can punish, you can suspend, but I doubt that you could permanently get rid of it.

**MAYOR GOODMAN**

And, Councilman, it would appear that the – SOB licenses or permits are issued by the City of Houston and the Houston Police Department, whereas the alcohol permit is issued by the Texas Alcoholic Beverage Commission, at least from the documents in front of us.

**COUNCILMAN BROWN**

Then – my question – is better asked: Why would the Texas ABC renew on an annual basis if all these statistics, or do they have the ability to deny an application on an annual basis because of all the statistics that were referenced earlier?

**SERGEANT REAGAN  
ALEXANDER, LVMPD**

I'll try to answer that. It appears, from – our research and from this investigation, that they certainly do act independently of each other, TABC and the City of Houston. There seems to be a pattern there, right or wrong. But the pattern that we have seen there from the information we've been able to obtain from our investigation is that their typical mode of operation, again right or wrong, is, with the SOB at least, to, if they have enough to bring him before for a hearing, to either fine them or to close your doors down for a certain amount of time. In each one of the cases with the Gold Club (sic) and Centerfolds, which are still owned by the applicant – Solid Platinum has been sold – arrangements were worked out to where the, they closed the doors for twenty days on each of those and paid \$50,000 fines on each of those.

And it seems to be a pattern there that that's how they handle those situations. As to why TABC never moved in and took the proper action or protocol to revoke the – liquor license that are, that's attached to each of those facilities, I can't answer your question. I wish they could have given us a – nice synopsis and disposition, but we weren't able to – obtain that.

**COUNCILMAN BROWN**

I – appreciate that. I'd like to revisit that later, though, Your Honor.

CITY COUNCIL MINUTES  
MEETING OF  
FEBRUARY 21, 2001

Page 23

VERBATIM TRANSCRIPT: ITEM 73 – DISCUSSION AND POSSIBLE ACTION REGARDING CHANGE OF OWNERSHIP AND BUSINESS NAME FOR A TAVERN LIQUOR LICENSE FROM RANGER BUILDING CORPORATION, DBA RANGER BUILDING CORPORATION TO D. WESTWOOD, INC., DBA THE BOARD ROOM, ALI DAVARI AND HASSAN DAVARI

MAYOR GOODMAN Very good. Thank you.

COUNCILMAN REESE I have one other question. I would like Mr. Jerbic to explain one more time, then what is this hearing here for today?

CITY ATTORNEY JERBIC Today you are here to examine the suitability of these applicants to receive a privileged liquor license in the City of Las Vegas.

COUNCILMAN REESE Then we're not looking at a SOB license here today?

CITY ATTORNEY JERBIC That's correct. The – location has been deemed a suitable location for conducting a sexually oriented business. Regardless of whether or not this application goes up or down, a sexually oriented business can be conducted at – this location.

COUNCILMAN REESE If we –

CITY ATTORNEY JERBIC And it would not involve any review by the Council.

COUNCILMAN REESE If we allow the liquor license then, and they have multiple arrests, or citations for problems arising from a sexually oriented business, we – can't revoke that license?

CITY ATTORNEY JERBIC I think you can. If the sexually oriented business and the liquor are conducted at the same location, and the effect – and it's well documented that alcohol and these kinds of businesses together have negative secondary effects – if it results in problems, the liquor license can be taken away, but the sexually oriented business license could remain in place.

COUNCILMAN REESE And, what I'm saying is this. My question then is if we can revoke the – liquor license, then we can still have the same problems that we have because the SOB license?

CITY ATTORNEY JERBIC You would technically have an – open SOB without a liquor license, and you're correct. Hypothetically, you could continue to – have those kinds of problems.

COUNCILMAN REESE And what we're talking about here today, the problems that we have are the SOB type rather than the – liquor license?

CITY ATTORNEY JERBIC I – think that, it's really a complicated question. I understand the question. But, I think the law recognizes that when you have a simple sexually oriented business without liquor, it

CITY COUNCIL MINUTES  
MEETING OF  
FEBRUARY 21, 2001

Page 24

VERBATIM TRANSCRIPT: ITEM 73 - DISCUSSION AND POSSIBLE ACTION REGARDING CHANGE OF OWNERSHIP AND BUSINESS NAME FOR A TAVERN LIQUOR LICENSE FROM RANGER BUILDING CORPORATION, DBA RANGER BUILDING CORPORATION TO D. WESTWOOD, INC., DBA THE BOARD ROOM, ALI DAVARI AND HASSAN DAVARI

has negative secondary effects. When you couple it with liquor, those secondary effects go up. There is increased prostitution. There is increased vice type activities. There's increased drug activities when you couple SOB's with liquor. That's very well documented, and that's why the Council has an additional right to regulate the First Amendment activity when you couple it with liquor.

And so, I think that the best way to answer the question is that liquor and sex together actually multiply the effect of -- the negative effect of -- the license.

COUNCILMAN REESE

Well, it just seems to me like, though, through the presentation of Metro, and I'll direct this at Mark and, or the Attorney and also the City Attorney, that the fines that are paid are just the pittance, that the only way you can really control a business like this is revoking the liquor license then.

CITY ATTORNEY JERBIC

I think that, you know, clearly there's, people have different marketing strategies for these kinds of businesses. There are some people in this town that have businesses without liquor licenses that have an SOB and if they were a problem we would attack them that way.

MAYOR GOODMAN

But, of course, Mr. Jerbic, in answering Councilman Reese's inquiry here, if, in fact, and I'm gonna address the Davari brothers with this, 'cause I'm gonna make them a proposition that they may wanna refuse; I'm not sure. If, in fact, the kind of activity that is alleged in the report which we received concerning sexual misconduct and criminal sexual activities taking place on the premises under their existing SOB, notwithstanding whether they have liquor or not, we could certainly revoke that license; could we not?

CITY ATTORNEY JERBIC

The SOB license (inaudible)

MAYOR GOODMAN

Yes. Yeah, because that's not protected. I mean, I can understand erotic dancing being protected, but sexual activity, such as alleged in this report, certainly is not protected. That's criminal.

CITY ATTORNEY JERBIC

Right. I think if it reaches a pattern of crimes or criminal nuisance, I think you have the strongest argument for that point in time shutting it down completely.

MAYOR GOODMAN

And what constitutes a pattern?

CITY COUNCIL MINUTES  
MEETING OF  
FEBRUARY 21, 2001

Page 25

VERBATIM TRANSCRIPT: ITEM 73 – DISCUSSION AND POSSIBLE ACTION REGARDING CHANGE OF OWNERSHIP AND BUSINESS NAME FOR A TAVERN LIQUOR LICENSE FROM RANGER BUILDING CORPORATION, DBA RANGER BUILDING CORPORATION TO D. WESTWOOD, INC., DBA THE BOARD ROOM, ALI DAVARI AND HASSAN DAVARI

CITY ATTORNEY JERBIC

It's gonna be in the eyes of the court, as you and I both know, Your Honor. But I think that, to me, it would take more than one incident of prostitution. It would take more than an isolated problem with a club. It would take a lengthy investigation and some pattern of that type of conduct before a court would entertain taking away a First Amendment business' license. I think it would take something much more substantial than an individual act of – criminal activity.

MAYOR GOODMAN

Right. But one act – of criminal activity concerning the liquor aspect, that would be grounds to revoke the liquor license?

CITY ATTORNEY JERBIC

That's correct. Just the opposite from liquor, because it is a privileged license.

MAYOR GOODMAN

Okay. Very good. Yes. Mr. Fiorentino?

Is that okay?

COUNCILMAN REESE

That's fine, yes.

ATTORNEY MARK FIORENTINO

Thank you, Your Honor. I guess, I wanted to try to – answer a couple of those issues that came up before I go on in my presentation. But before I do that, let me – say this. Again, I have spent a great deal of time with the – Davaries going over the Metro report in the last couple of months. There's no question that the allegations that were raised, and particularly in the beginning part of that report, deserve Mr. DiFiore's concern, and they deserve Metro's concern, and they deserve your concern. I do think there are mitigating circumstances that we'd like to present to you. And perhaps some explanations we'd like to present to you that – warrant your consideration, and I'll get into those in just a second.

But I wanna reiterate what I wanted to say a minute ago. I think there is no question that the City of Houston, this is where I may disagree with Mr. Jerbic slightly, can refuse to issue you a new sexually oriented business when your license permit comes up, if they can prove that you are continually violating the otherwise constitutional regulations that they placed on sexually oriented businesses.

So, I think, that does speak, and you can give it whatever weight you want to. But it does, think it does speaks somewhat to what the Houston authorities think about the

CITY COUNCIL MINUTES  
MEETING OF  
FEBRUARY 21, 2001

Page 26

**VERBATIM TRANSCRIPT: ITEM 73 – DISCUSSION AND POSSIBLE ACTION REGARDING CHANGE OF OWNERSHIP AND BUSINESS NAME FOR A TAVERN LIQUOR LICENSE FROM RANGER BUILDING CORPORATION, DBA RANGER BUILDING CORPORATION TO D. WESTWOOD, INC., DBA THE BOARD ROOM, ALI DAVARI AND HASSAN DAVARI**

allegations and the – pattern or lack of pattern that may be occurring in their clubs there.

Second, as, at least is what I've been told, and I believe it to be true, there is no question that in the city, in Texas the liquor license is clearly a privileged license, much like it is here. And – it's actually a little bit more stringent there than it is here, because here, at least in – my experience in my practice, once you issue a liquor license, if you haven't imposed any other conditions on it, if I come every, I guess here it's semi-annually, and pay my fee, it gets re-issued to me unless there's a – hearing to revoke it or suspend it. That is not the case in Texas. When you come up, you can't just pay your fee and get your license, you have to go through another approval process. And the Davaries in that process, have never been, for whatever reason, and we submit to you that – even though there have been problems in their clubs there, they have not risen to the level that the Texas authorities deemed necessary to revoke their license, and they have never had that happen.

And finally, with respect to the pattern, there has not been a single revocation hearing or action against any of these licenses since the settlement of that lawsuit, which was almost four years ago, which I also think is significant.

And that, I wanted to lead that into the lawsuit itself. What you were presented in the Metro report were based on affidavits that were submitted in a revocation hearing that actually was the culmination of about five years worth of cases and allegations made against mostly dancers in those clubs but on occasion, specific employees of those particular clubs. It was a consolidation of a number of cases. There were cross suits filed against the City of Houston. It was about five years ago. And both sides in that case, and that's behind – I think Metro gave it to you, but I also provided you another copy behind tab 3 in our report – both sides in that litigation agreed to a settlement in which neither party admitted any wrongdoing or liability. And I think that's important because, although there's no question again that those allegations that were made warranted some attention, they were allegations. And they were not allegations that we took any opportunity to dispute as we would if that litigation had gone on. Instead, we settled the case. We settled it by paying a fairly large fine, resulting in a temporary suspension of a couple of the licenses and no suspension of the rest of the licenses. And at the time that's what both

**CITY COUNCIL MINUTES  
MEETING OF  
FEBRUARY 21, 2001**

Page 27

**VERBATIM TRANSCRIPT: ITEM 73 – DISCUSSION AND POSSIBLE ACTION REGARDING CHANGE OF OWNERSHIP AND BUSINESS NAME FOR A TAVERN LIQUOR LICENSE FROM RANGER BUILDING CORPORATION, DBA RANGER BUILDING CORPORATION TO D. WESTWOOD, INC., DBA THE BOARD ROOM, ALI DAVARI AND HASSAN DAVARI**

parties, including the City of Houston, deemed to be an appropriate settlement of those issues. Since then, again, there have been no actions taken to revoke the licenses of the Davaries since the settlement, that lawsuit, at least not that I have been made aware of.

Now, after I have said all that, there is, it's nevertheless true that neither George or David are proud of – In fact, it's exactly the opposite. Some of the allegations that were taking place. And most of those relate to a particular club of theirs in Houston. They're not proud of those. And they recognize that even though they settled the lawsuit and were able to keep their licenses as a result of the settlement, that the allegations themselves resulted in them needing to make some changes and needing to pay more attention to what happens in their particular clubs.

What they did in response to that lawsuit, even though they weren't required to, pursuant to the settlement, as they fired the manager involved. And – you've got the report; it refers to a specific manager. He was terminated. They initiated new training procedures and new hiring procedures and new enforcement procedures to try to make sure that the dancers complied with the local regulations. Is it true that the dancers sometimes don't comply? Absolutely. That's true. I will submit to you, and have evidence of it if you – want to go into it, that that would also be true of the licensed establishments here in Las Vegas. But I'm not sure that we need to get into that.

What has happened since the settlement, if you look very closely at the numbers, is that there have been dramatically fewer citations than there were leading up to that particular lawsuit. I have asked Mr. Paul Nugent, who represents the Davaries in Houston, on that settlement and on a continuing basis to give me, identify for me every citation in all of the clubs in Houston that have – been issued against either a dancer or an employee since the settlement. So we're talking about four years and five clubs in Texas, and there have been a total over that period of 70 citations issued. Five clubs, four years, all relating, except in maybe one or two incidences, to dancers of the club violating the three-foot rule.

Or prior in Houston, as I am told, prior to them having a three-foot rule. They prosecuted those cases under an indecent exposure statute, which says the dancers can't dance in a manner that is either indecent or obscene. Which

CITY COUNCIL MINUTES  
MEETING OF  
FEBRUARY 21, 2001

Page 28

VERBATIM TRANSCRIPT: ITEM 73 - DISCUSSION AND POSSIBLE ACTION REGARDING CHANGE OF OWNERSHIP AND BUSINESS NAME FOR A TAVERN LIQUOR LICENSE FROM RANGER BUILDING CORPORATION, DBA RANGER BUILDING CORPORATION TO D. WESTWOOD, INC., DBA THE BOARD ROOM, ALI DAVARI AND HASSAN DAVARI

as, I guess, everyone would recognize when you think about it, is a tough issue in court and otherwise on where you cross the line to being obscene.

But at any point, those, of those 70 cases, 74% of them have either subsequently been dismissed or the - person was found not guilty. There're only a few of them left that are still pending. A few of them the dancer pleaded no contest as opposed to - challenging it in court. And recognize that the Davaries, once the dancers get cited have limited control over what happens to the citations, because the dancers are independent contractors.

What I mean by that to say is that the Davaries had no control over whether a dancer wants to just say, look, I'll pay a fine and admit to the liability as opposed to contesting whether I actually committed the crime or not. But even so 73% of those cases have either been dismissed or the dancer's been found not guilty. The one case that Metro made a specific reference to was a manager who was cited for failing to enforce the law. That case was also dismissed.

So, we stand before you today, and - we really only have, I guess, one thing to offer and one thing to ask for and that is that the Davaries have had a fair opportunity to - prove to you that they're worthy of this privileged license that they've asked you for.

You know, I appear before you every two weeks, and I have spent a great deal of time with both of the Davari brothers and - told them that, how important you deem promises that people make to you and how angry you are if people make promises to you and don't keep them. And they are so far willing to prove that they are worthy of that privilege. They are willing to make a - \$7 million investment up front with the idea that you only grant them a limited license that they have to come back and review.

MAYOR GOODMAN

Let me ask you this: What's a, I think, using your expression, they want a fair chance; is that what you said?

ATTORNEY MARK FIORENTINO

Yes.

MAYOR GOODMAN

Well, what's a fair chance? How many citations before we close 'em down?

ATTORNEY MARK FIORENTINO

Let me tell you what - we proposed and -



CITY COUNCIL MINUTES  
MEETING OF  
FEBRUARY 21, 2001

Page 29

VERBATIM TRANSCRIPT: ITEM 73 – DISCUSSION AND POSSIBLE ACTION REGARDING CHANGE OF OWNERSHIP AND BUSINESS NAME FOR A TAVERN LIQUOR LICENSE FROM RANGER BUILDING CORPORATION, DBA RANGER BUILDING CORPORATION TO D. WESTWOOD, INC., DBA THE BOARD ROOM, ALI DAVARI AND HASSAN DAVARI

MAYOR GOODMAN

No. Please answer that question. What's a fair chance? We had a night and day owner come before us before who had a history of being warned and warned and warned and finally came the time that he had to pay the piper. I'm asking you, what is a fair chance? I'm a gambling man. Okay? These folks are gonna put up \$7.4 million. A lot of money. What's a fair chance? How many times do we have to cite 'em before we close 'em down?

ATTORNEY MARK FIORENTINO

Here's what I've told them and what they've agreed to. That any – citation that was remotely close to the first part of your report, where people were talking about illegal inappropriate sexual activity, that a single citation was gonna result in – you telling them they can't keep their license anymore, and they're willing to commit to that. ★

MAYOR GOODMAN

That's fine. They are ready to commit to that?

ATTORNEY MARK FIORENTINO

Yes.

MAYOR GOODMAN

Single citation of a sexual, like what was described by the officer; that would be the – bar?

ATTORNEY MARK FIORENTINO

Yes –

MAYOR GOODMAN

Okay. Fine. Very good.

ATTORNEY MARK FIORENTINO

They're – here to pledge to you that there will be no prostitution-related activity, no drug-related activity, that sort of thing –

MAYOR GOODMAN

No, I don't care about – I appreciate that. I'm not particularly concerned about their pledge at this time, but a single citation, they're agreeing, will result in revocation of a license that they're actually paying \$7.4 million for?

ATTORNEY MARK FIORENTINO

Yes.

MAYOR GOODMAN

Okay.

COUNCILMAN BROWN

Your Honor?

MAYOR GOODMAN

Yes.

COUNCILMAN BROWN

Mr. Fiorentino, or Mr. DiFiore, or Metro, or Mr. Jerbic, I've heard a lot today about –

**CITY COUNCIL MINUTES  
MEETING OF  
FEBRUARY 21, 2001**

Page 30

**VERBATIM TRANSCRIPT: ITEM 73 – DISCUSSION AND POSSIBLE ACTION REGARDING CHANGE OF  
OWNERSHIP AND BUSINESS NAME FOR A TAVERN LIQUOR LICENSE FROM RANGER BUILDING  
CORPORATION, DBA RANGER BUILDING CORPORATION TO D. WESTWOOD, INC., DBA THE BOARD  
ROOM, ALI DAVARI AND HASSAN DAVARI**

ATTORNEY MARK FIORENTINO

Do I get to go first, or, since you're looking at me? Or –

COUNCILMAN BROWN

I've heard a lot about the three-foot rule in Houston, and the preponderance of citations deal with this three-foot rule or some kind of suggestion on obscene and lewd. How does that compare with Las Vegas, where I've been told there is no three-foot rule and there isn't even a no-touch rule?

So, I guess, again, this is the first question I asked was the comparison. If you were to take this Houston ordinance, which is far more lenient than Las Vegas, and this will then lead to the Mayor's comment as far as what will be a violation, what – is our rule? What are our standards?

JIM DIFIORE, MANAGER,  
BUSINESS SERVICES

Councilman, there is no foot rule here in Las Vegas. I believe the code references the fact that dancers may not caress or fondle patrons. But it does not address any distance measurement. Now, I think that the Houston rule, the three-foot rule is actually more stringent, because there is that gap, and in Las Vegas there isn't. And – I guess, I know of other circumstances or other jurisdictions where they have a six-foot rule, and I think more recently they now have a ten-foot rule in some cases. I think the six-foot rule has recently in the last year been upheld as a constitutional ordinance.

I would suggest that – what we see here is – them not complying with the three-foot rule. And I would think that we would have more problems in Las Vegas, because we have no foot rule at all.

COUNCILMAN BROWN

So, if – we went into, if you or Metro went into an SOB existing today and saw dancers right up against patrons and touching, you – say fondle or caress, but, according to this report, brushing is illegal in Houston. That would be fine. There'd be no violation according to our City ordinance?

JIM DIFIORE, MANAGER,  
BUSINESS SERVICES

Under our current codes, that's correct. Now I do have some suggestions that I've – sent to my boss for changes to be made.

MAYOR GOODMAN

Right. But right now we're under the current code.

COUNCILMAN BROWN

Yeah.

JIM DIFIORE, MANAGER,  
BUSINESS SERVICES

Right.

**CITY COUNCIL MINUTES  
MEETING OF  
FEBRUARY 21, 2001**

Page 31

**VERBATIM TRANSCRIPT: ITEM 73 – DISCUSSION AND POSSIBLE ACTION REGARDING CHANGE OF  
OWNERSHIP AND BUSINESS NAME FOR A TAVERN LIQUOR LICENSE FROM RANGER BUILDING  
CORPORATION, DBA RANGER BUILDING CORPORATION TO D. WESTWOOD, INC., DBA THE BOARD  
ROOM, ALI DAVARI AND HASSAN DAVARI**

MAYOR GOODMAN

Is that it? Councilman?

COUNCILMAN BROWN

And maybe along the three-foot, no-touch rule, what – kind of activity, Sergeant, this may be best directed to you. What kind of incident reporting do we have as far as the existing City SOB's? Is, are violations commonplace? Would it be 15.8% of the days or violations of the club? Do we have any statistics to compare today before, separate from this application?

SERGEANT REAGAN  
ALEXANDER, LVMPD

To – answer that question, no. No. But the most common arrest in the SOB's we have here is for prostitution.

COUNCILMAN BROWN

And, Your Honor, I guess this – would be from a – global perspective. I know this Council a few years back fined someone \$50,000, and it might have been an SOB. Was it an SOB, Jim? So, I, I'd be very interested, as a backdrop to all this, what the current state of affairs is in the SOB industry.

MAYOR GOODMAN

Well, that's why I asked the question, and I asked them whether or not at least anecdotically in Las Vegas we have situations such as those that are described which would anyone of us would agree as sexually, sexual misconduct. And I was given the answer none, and I said good for us. So, with that backdrop that I'm gonna be acting on this application.

COUNCILMAN BROWN

But, can we hold and if, and I certainly support where – you're going with that, can we hold this application to a higher standard and – yet retro to some of the existing SOB's have a far less strict standard?

MAYOR GOODMAN

Well, I – think the, at the question that I asked Mr. Fiorentino that if there was a single citation, and not a citation a conviction, of course. A single conviction for a sexually, sexual misconduct, then he says his clients are ready to agree that the license would be revoked.

ATTORNEY MARK FIORENTINO

Your Honor, if I can, just before I forget to amplify this point. I think this is: another point where we disagree slightly with Metro. I hired a private investigator to do some undercover work in existing City of Las Vegas licensees in the last thirty days to find out whether some of this conduct was occurring. I have a – report, which I can submit to you later. I prefer that it be confidential. If you want to see it, or you can take my word for it that some of the conduct that was

CITY COUNCIL MINUTES  
MEETING OF  
FEBRUARY 21, 2001

Page 32

VERBATIM TRANSCRIPT: ITEM 73 – DISCUSSION AND POSSIBLE ACTION REGARDING CHANGE OF OWNERSHIP AND BUSINESS NAME FOR A TAVERN LIQUOR LICENSE FROM RANGER BUILDING CORPORATION, DBA RANGER BUILDING CORPORATION TO D. WESTWOOD, INC., DBA THE BOARD ROOM, ALI DAVARI AND HASSAN DAVARI

referenced in the complaint is currently happening here in the City of Las Vegas.

Now, here's why I say that and make a point, because I think that's important to recognize that my clients are willing to go above and beyond what is happening here, and with respect to sexual misconduct, or drug activity, or anything like that, they understand that you will expect a no-tolerance policy. That a single conviction will result in them losing their license. They understand that as clearly as I can make it to them, 'cause I told 'em a hundred times, and they can tell you themselves if you wanna hear it from them.

MAYOR GOODMAN

Well, I'll certainly ask them that. But, if in fact, you have – See, what disturbs me about this, and this really is an aside. What disturbs me about this is if in fact this kind of conduct is happening here, and I'm told it's not, you're saying that it is, then it's tantamount to prostitution as far as I'm concerned. And for us to pretend that we're holier than thou and that prostitution doesn't exist is foolishness on our part. May as well legalize it if in fact this kind of conduct is taking place. I'm told by Metro it's not, and that satisfies me. If you have a report that suggests that it is, I'd like to see it.

ATTORNEY MARK FIORENTINO

And perhaps what I could do, if Metro is interested, I'll share the information that we have with them. Maybe we're – Your concern is absolutely legitimate. No one should be doing that because it's illegal.

MAYOR GOODMAN

We either legalize it or it's illegal. There's no, it's either being pregnant or you're not.

ATTORNEY MARK FIORENTINO

And we agree.

MAYOR GOODMAN

Okay. All right, let me have the Davaries come up here, please.

ATTORNEY MARK FIORENTINO

Your Honor, members of Council, this is David Davari and his brother George Davari.

ALI "DAVID" DAVARI

Hi.

ATTORNEY MARK FIORENTINO

The gentleman standing behind them is Paul Nugent who is their counsel on matters in Houston.

MAYOR GOODMAN

Could, would you please identify yourselves, gentlemen.

CITY COUNCIL MINUTES  
MEETING OF  
FEBRUARY 21, 2001

Page 33

VERBATIM TRANSCRIPT: ITEM 73 – DISCUSSION AND POSSIBLE ACTION REGARDING CHANGE OF OWNERSHIP AND BUSINESS NAME FOR A TAVERN LIQUOR LICENSE FROM RANGER BUILDING CORPORATION, DBA RANGER BUILDING CORPORATION TO D. WESTWOOD, INC., DBA THE BOARD ROOM, ALI DAVARI AND HASSAN DAVARI

ALI "DAVID" DAVARI

Okay. I'm David Davari, which means on the application Ali Davari.

MAYOR GOODMAN

Yes, Sir?

HASSAN "GEORGE" DAVARI

Hassan Davari, known as George Davari.

MAYOR GOODMAN

All right. Thank you.

You've heard – Yes, Sir?

ATTORNEY PAUL NUGENT

Paul Nugent. I'm an attorney in Houston, Texas.

MAYOR GOODMAN

Okay. You've – heard everything that's taken place here today, Mr. and Mr. Davari, correct?

HASSAN "GEORGE" DAVARI

Yes, Sir.

MAYOR GOODMAN

And it's our understanding, through your attorney, that you are willing to agree that if this Council votes for approval of the liquor license today, that if in fact there is a single conviction on a citation involving sexually prohibited conduct, and that doesn't talk about dancing because that's protected, or exotic dancing is protected. But conduct such as that which is in the report – Have you seen the report?

HASSAN "GEORGE" DAVARI

Yes, Sir.

MAYOR GOODMAN

Okay, where it talks about prostitution. It talks about masturbation. It talks about a lot of things that are illegal under our laws here. That if there's one conviction that you agree that you will have your license revoked, is that –, do I understand that?

HASSAN "GEORGE" DAVARI

Sir, if I knowingly allow that –

MAYOR GOODMAN

Pardon me?

HASSAN "GEORGE" DAVARI

If I knowingly allow that, you know, I understand that part.

MAYOR GOODMAN

I'm sorry, I –

ATTORNEY MARK FIORENTINO

He said – Yes. If –

MAYOR GOODMAN

Well, you're gonna be in Houston, right?

CITY COUNCIL MINUTES  
MEETING OF  
FEBRUARY 21, 2001

Page 34

VERBATIM TRANSCRIPT: ITEM 73 – DISCUSSION AND POSSIBLE ACTION REGARDING CHANGE OF OWNERSHIP AND BUSINESS NAME FOR A TAVERN LIQUOR LICENSE FROM RANGER BUILDING CORPORATION, DBA RANGER BUILDING CORPORATION TO D. WESTWOOD, INC., DBA THE BOARD ROOM, ALI DAVARI AND HASSAN DAVARI

HASSAN "GEORGE" DAVARI Yes.

MAYOR GOODMAN It's going to be hard to knowingly allow it.

HASSAN "GEORGE" DAVARI No, because the management staff are gonna handle it.

ATTORNEY MARK FIORENTINO Well, there's –

MAYOR GOODMAN Well, we're – talking about on a respondent superior basis?

ATTORNEY MARK FIORENTINO No. I, there's – no question that if a citation is issued for any of those activity he will know about it.

MAYOR GOODMAN He'll know about it after the citation is issued.

COUNCILMAN REESE We're talking about convictions.

MAYOR GOODMAN And – then if there's a conviction, he would certainly know that a trial is gonna be taking place. If there's a conviction, he agrees that he will have his license revoked without a court hassle, without litigation and the like? Is that, that's the way I understand what I've heard. Gentlemen?

HASSAN "GEORGE" DAVARI Excuse me. I believe what you meant is anything we promote directly or we have a knowledge of it.

MAYOR GOODMAN No.

COUNCILMAN REESE No.

MAYOR GOODMAN What I'm saying that if when you're, this business that you'll own, that you own right now –

HASSAN "GEORGE" DAVARI Right.

MAYOR GOODMAN – if in fact there is a violation of sexually prohibited conduct –

HASSAN "GEORGE" DAVARI Correct.

MAYOR GOODMAN – okay, under our criminal laws and there's a conviction, okay? That you agree whether you're sitting in Houston or you're on a boat in the gulf, I don't care, you agree that you will have your license revoked, correct?

HASSAN "GEORGE" DAVARI Well, of course, we coming here to operate and cooperate with the law. If that's (inaudible) on the law, obviously we

**CITY COUNCIL MINUTES  
MEETING OF  
FEBRUARY 21, 2001**

Page 35

**VERBATIM TRANSCRIPT: ITEM 73 – DISCUSSION AND POSSIBLE ACTION REGARDING CHANGE OF  
OWNERSHIP AND BUSINESS NAME FOR A TAVERN LIQUOR LICENSE FROM RANGER BUILDING  
CORPORATION, DBA RANGER BUILDING CORPORATION TO D. WESTWOOD, INC., DBA THE BOARD  
ROOM, ALI DAVARI AND HASSAN DAVARI**

don't deserve to keep the license. And I'm pretty sure the law is unique for all over the City of Las Vegas. I'd be more than happy to comply with it, if that's answer the question.

MAYOR GOODMAN

No, that's not an answer to the question. The question I'm asking is pretty simple. That if, in fact there's a conviction for sexually prohibited misconduct, okay?

HASSAN "GEORGE" DAVARI

Right.

MAYOR GOODMAN

If there's a conviction, do you agree that your license can be revoked without getting involved in a lawsuit with the City saying that we've done something that's inappropriate?

HASSAN "GEORGE" DAVARI

I'd like to get a comment of my attorneys. Because I don't know if I explained myself correctly.

MAYOR GOODMAN

Okay. And I – want you to, this is very important. You're talking about \$7.4 million. Almost my net worth.

JIM DiFIORE, MANAGER,  
BUSINESS SERVICES

Mayor, while there's a pause here, what about the – fact that we're hearing a liquor license today? What about sale of alcohol to minors or any other liquor related –

MAYOR GOODMAN

No. I'm not – concerned about it. I mean, that's, that comes in the ordinary course. We're, the conduct that I think is offensive to this Council is the sexually oriented activity. We, nobody's advocating that we want violations of the liquor laws, but those would be handled independent without the, I'm asking for an (inaudible) of a very high price here, and I wanna relate it to the – sexually oriented activity.

COUNCILMAN BROWN

Your Honor?

MAYOR GOODMAN

Yes.

COUNCILMAN BROWN

And, again, I – agree with where you're heading with this. If we raise the bar and hold this application to that standard of a one conviction, zero tolerance, then do we also raise the bar and hold the other licensees to that same standard?

MAYOR GOODMAN

I'm not sure the answer to that. The reason that I'm even suggesting this is because of the history.

COUNCILMAN REESE

This is a new application here.

MAYOR GOODMAN

The pattern of conduct that has been described to us that these folks have been involved in over several years. I could

**CITY COUNCIL MINUTES  
MEETING OF  
FEBRUARY 21, 2001**

Page 36

**VERBATIM TRANSCRIPT: ITEM 73 – DISCUSSION AND POSSIBLE ACTION REGARDING CHANGE OF OWNERSHIP AND BUSINESS NAME FOR A TAVERN LIQUOR LICENSE FROM RANGER BUILDING CORPORATION, DBA RANGER BUILDING CORPORATION TO D. WESTWOOD, INC., DBA THE BOARD ROOM, ALI DAVARI AND HASSAN DAVARI**

assure you this. That from my, where I'm sitting here today if somebody were to show me that a place that's licensed today under an SOB has this kind of activity taking place, you can bet your bottom dollar I would ask for revocation of their license.

COUNCILMAN BROWN

And you –

COUNCILWOMAN McDONALD

Your Honor, I have a – question of clarification too, because in all of the material that's been presented here, I don't think anyone has charged these gentlemen with inappropriate behavior. It's been the employees of these gentlemen who have not been held to, or have shown inappropriate management or leadership of the organization. And so, it'd be very easy to say I didn't know about it. It was my manager's responsibility. So we have to set the ground rule today regardless of it's just their knowledge, or if it's not their knowledge and it's the manager's knowledge, we need to know what the ground rules and I want to know before I cast a vote what (inaudible) –

MAYOR GOODMAN

Okay. And I would – I think that's an excellent suggestion. And I would suggest that if the manager on the, knew or should have known that this activity was taking place and permitted it to take place that that would be related to these people that they would be responsible for it. That it would go all the way to the captain of the ship.

ATTORNEY MARK FIORENTINO

I just asked him the – question that I thought you asked. Which is if – the manager should have, knew or should have known, you're going to impute that knowledge to him.

MAYOR GOODMAN

Yes.

ATTORNEY MARK FIORENTINO

And is he willing to accept that responsibility?

MAYOR GOODMAN

Yes.

ATTORNEY MARK FIORENTINO

And I thought his answer was yes. Do you agree?

ALI "DAVID" DAVARI

Yes, Sir. I will accept that.

MAYOR GOODMAN

All right. How about your brother?

HASSAN "GEORGE" DAVARI

Absolutely. I'd like to make a comment on that. If someone pass a red traffic light, are they going to fine you as the Mayor of the City?



**CITY COUNCIL MINUTES  
MEETING OF  
FEBRUARY 21, 2001**

Page 37

**VERBATIM TRANSCRIPT: ITEM 73 – DISCUSSION AND POSSIBLE ACTION REGARDING CHANGE OF  
OWNERSHIP AND BUSINESS NAME FOR A TAVERN LIQUOR LICENSE FROM RANGER BUILDING  
CORPORATION, DBA RANGER BUILDING CORPORATION TO D. WESTWOOD, INC., DBA THE BOARD  
ROOM, ALI DAVARI AND HASSAN DAVARI**

MAYOR GOODMAN                      No. I go to traffic school. They do fine me.

HASSAN "GEORGE" DAVARI            Right. So we go back to the same thing. We do our best to avoid any kind of violation. We not –

MAYOR GOODMAN                      Yeah, but I do my best too and I ended up at traffic school for five hours.

HASSAN "GEORGE" DAVARI            Right. We (inaudible) comply with the law.

MAYOR GOODMAN                      No. What I'm saying is this. This is, this isn't, no second chance –

HASSAN "GEORGE" DAVARI            This is a tough – business. I just, it took us about a year to get in this City and we are still not finished. And we wanna make sure by the same token we are protected too. Not scared to not comply with the law. We just wanna make sure, as some of the Council member mentioned, everything gonna be unique. We going to be more than happy to cooperate with Metro and we thank your time that they try to protect the City of Las Vegas, because we're gonna be part of this City with a big investment.

MAYOR GOODMAN                      I under – Well, –

COUNCILMAN REESE                    Your Honor –

MAYOR GOODMAN                      Yes.

COUNCILMAN REESE                    I think I'm ready to make a motion.

MAYOR GOODMAN                      All right.

COUNCILMAN REESE                    I think I've pretty well understood the – flow of –

COUNCILMAN MACK                    One comment, if you don't mind.

COUNCILMAN REESE                    Yes, Sir.

COUNCILMAN MACK                    I'm sorry, Mayor Pro Tem. I'd just like to make a comment. As a responsible parent, I've looked at this issue and it's a very difficult issue that we're about to push the buttons on. And I see that, you know, this – use has already been granted. The sexually oriented business is going into this location. I see a substantial investment that's being put forth into our community.

**CITY COUNCIL MINUTES  
MEETING OF  
FEBRUARY 21, 2001**

Page 38

**VERBATIM TRANSCRIPT: ITEM 73 – DISCUSSION AND POSSIBLE ACTION REGARDING CHANGE OF OWNERSHIP AND BUSINESS NAME FOR A TAVERN LIQUOR LICENSE FROM RANGER BUILDING CORPORATION, DBA RANGER BUILDING CORPORATION TO D. WESTWOOD, INC., DBA THE BOARD ROOM, ALI DAVARI AND HASSAN DAVARI**

And I also, I believe that we are raising the bar for all sexually oriented businesses today. And with the discussion and, Mr. DiFiore, I'd like to hear some of your further comments after today's vote on how we can raise the bar. Because it sounds to me that the bar's pretty low right now. What – I'm hearing and I'm seeing is that the Davari brothers are willing to raise the bar, and we can hold them accountable. And I think it's like any business. When you have a – substantial investment in any business sector, I know we've seen it in the industry that I work in in a private capacity. That when the investment's made and the improvements have been made, the whole industry seems to increase their responsibility and their community involvement. So, I see the bar being raised. I think we're having some excellent dialogue today.

But like I state. As a responsible parent, I have two young boys that I'm raising in this community; I want this to be a better place than what I've been fortunate to have. And I look forward to seeing this come forward.

**COUNCILMAN REESE**

Are there any other questions or comments from our attorneys or –

**MAYOR GOODMAN**

Yes, Mayor Pro Tem. I want to make perfectly clear. I – see no problem with the type of facility that you contemplate here. I think it's part of Las Vegas. I think it's part of our community. I think that if run legitimately, there's, it's fine. I want my comments just to be construed that if in fact it's a den for prostitution, then that won't be tolerated by the Council until prostitution's legalized here.

**COUNCILMAN REESE**

I think, Your Mayor, a lot of your comments and questions have been taken in the right mode that it was meant. I would just like to direct my comments to Mr. Fiorentino and the Davari brothers.

I think, number one, the location of the proposed business is the proper location. Okay, I don't have any problem with that. I see in other, in Houston, some of your other locations, the continued problems. I sometimes don't feel that fines are adequate, which led us to the discussion as far as you agree with one conviction that your license will be revoked.

I feel like that we don't have enough Metro officers, we don't have enough City employees to go out every day to sit in

CITY COUNCIL MINUTES  
MEETING OF  
FEBRUARY 21, 2001

Page 39

VERBATIM TRANSCRIPT: ITEM 73 – DISCUSSION AND POSSIBLE ACTION REGARDING CHANGE OF OWNERSHIP AND BUSINESS NAME FOR A TAVERN LIQUOR LICENSE FROM RANGER BUILDING CORPORATION, DBA RANGER BUILDING CORPORATION TO D. WESTWOOD, INC., DBA THE BOARD ROOM, ALI DAVARI AND HASSAN DAVARI

your place of business and make sure that you're complying with the conditions that you've agreed to, that I have here in front of me. I think that it would be up to you to hire somebody that will be able to see. Watch the dancers. Whether you have three security guards or a dozen security guards in your place of business, that they can see where a lady, a dancer is headed, in what direction. It's been brought to my attention that we might have something start inside where one of the employees may go outside. I think that you under, you need to understand that there will be no tolerance at all of any type of prostitution. And we may not have this in other locations today, but I think that the prior hearing that you heard, you've seen where this Council is going and what we're trying to do here.

This is a privileged license. I think it's important for you to understand that if you come in here with the investment that has been mentioned, over \$7 ½ million, then you do want to protect that. So, to me, in my mind, you're gonna have somebody there, whether it takes one person or fifteen people to go in there and make sure that none of this does happen. And I don't – feel like that I want to have what's going on in other locations here in the City of Las Vegas. And if what Mr. Fiorentino, Mark, alluded to is going on, then we want to check that out. I want to check that out. And maybe we are going to hold you to a higher standard.

I definitely respect Mr. DiFiore. This, my – motion is not going to reflect at all on your investigation, your recommendation. This is somebody coming in here with a new license request. And I – certainly respect Metro's investigation. The job that they've done for us giving us this information. And I – feel like with the – point that the Mayor made, with the questions that Mr. Brown asked and Councilwoman McDonald asked are very pertinent, and I think we all are on the same page. And if, Mr. Fiorentino, if I can put this in the record to the conditions, and also the condition that the Mayor alluded to, one conviction, then they stand to lose their liquor license and with no – long lawsuits, no nothing.

ATTORNEY MARK FIORENTINO

Understood.

COUNCILMAN REESE

And that's understood. So, then I would make that one of the conditions.

ATTORNEY MARK FIORENTINO

And you can – certainly add that to the record. What you're referring to is we put together a – set of procedures to try to

**CITY COUNCIL MINUTES  
MEETING OF  
FEBRUARY 21, 2001**

Page 40

**VERBATIM TRANSCRIPT: ITEM 73 – DISCUSSION AND POSSIBLE ACTION REGARDING CHANGE OF  
OWNERSHIP AND BUSINESS NAME FOR A TAVERN LIQUOR LICENSE FROM RANGER BUILDING  
CORPORATION, DBA RANGER BUILDING CORPORATION TO D. WESTWOOD, INC., DBA THE BOARD  
ROOM, ALI DAVARI AND HASSAN DAVARI**

come up with a compliance manuals to make sure that  
(inaudible) –

**COUNCILMAN REESE**

Well, I think that those, and I went over those conditions, and I feel like that those conditions that you're agreeing to, we already are, we already have those in place here in the City of Las Vegas. I would hope that we do or in Clark County. So, I –, but I do wanna put that in the record. But I also want it understood that one of my conditions, the condition that I'm gonna make a motion for approval is with a six-month review and at the six-month review, if there's any problems, then we're gonna go with a three-month review. Because I – and this is from the time that it's opened, not from today, but from the time it's opened.

And like I say, I don't feel like that we, the City of Las Vegas, the taxpayers here can afford to pay somebody to go into your place of business and to police it for you. And so if there's any – problems at all, that come back to us, then I – want to be able to call them in for a special hearing, whether it's before the six months or after the six months. Is that understood?

**ATTORNEY MARK FIORENTINO**

Yes.

**COUNCILMAN REESE**

And with those conditions in place, then my motion would be approval of this application as noted.

**MAYOR GOODMAN**

All right. All right, vote on the motion, please.

**COUNCILMAN WEEKLY**

Councilman Reese?

**COUNCILMAN REESE**

Yes.

**COUNCILMAN WEEKLY**

Just real quick, before I cast my vote. I just wanna say for the record, this is an item, and as Councilman Mack alluded to, that we all will be so glad to put behind us, because I think some of us toyed with this thing tremendously. And I do wanna say to the Davari brothers is that in the beginning I did not support this. Not for anybody else's reason but my own personal reasons. And I do want you to know from my heart, because I have to say this on behalf of my constituents, you know, I am very much concerned with your activities in Houston. And I'm only supporting this motion, and I needed to say this for the records, only because of that condition, that, just one act. I mean, I think it's so important that, for me, to sit here and listen to a staff's recommendation. That's important to me because we pay

**CITY COUNCIL MINUTES  
MEETING OF  
FEBRUARY 21, 2001**

Page 41

**VERBATIM TRANSCRIPT: ITEM 73 – DISCUSSION AND POSSIBLE ACTION REGARDING CHANGE OF  
OWNERSHIP AND BUSINESS NAME FOR A TAVERN LIQUOR LICENSE FROM RANGER BUILDING  
CORPORATION, DBA RANGER BUILDING CORPORATION TO D. WESTWOOD, INC., DBA THE BOARD  
ROOM, ALI DAVARI AND HASSAN DAVARI**

them to give us recommendations. And, you know, I'm going against my staff's recommendations today to support this motion, and I really and truly hope that you do the right thing. I mean, I really and truly hope that you do that, because, I mean, for all of us who had to toy with this, this has been a very difficult, difficult item to deal with. And I really hope that you don't bring your staff from Houston here. Leave the girls down there. I mean, you probably can find some ones here to participate in your club here. But it's my hope that you do follow the recommendations that the Councilman made today and the Mayor.

COUNCILMAN REESE

And also, I want you to understand. A lot of my feelings, my beliefs is because of the man representing you here. I trust Mark. Okay. And if Mark says this is what's gonna happen, then this is what's gonna happen. And he'll be the first one I call if I ever hear of any problems at this location. And I'm gonna say, Mark, you represented them, you promised –

ATTORNEY MARK FIORENTINO

Why don't you start with my wife. Call her first.

COUNCILMAN REESE

No. I'm gonna call you first. And that's the one reason that also makes me make this motion today.

MAYOR GOODMAN

Okay. Vote on the motion, please. Post, please. Motion carries. (Motion carried unanimously with M. McDONALD abstaining because of his relationship with Mr. Roglch.)

ATTORNEY MARK FIORENTINO

Your Honor, Council, thank you very much for your time. I appreciate that.

**(END OF DISCUSSION)**

/gpb;da

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