

1 RESOLUTION NO. R-69-2002

2
3 **RESOLUTION CONSENTING TO CERTAIN UNDERTAKINGS OF THE CITY OF LAS**
4 **VEGAS REDEVELOPMENT AGENCY IN CONNECTION WITH THE OWNER**
5 **PARTICIPATION AGREEMENT WITH WORLD MARKET CENTER, LLC FOR THE**
6 **PROJECT CONCERNING THE DEVELOPMENT OF REAL PROPERTY DESCRIBED AS**
7 **APN 139-33-610-004, 139-33-511-003 and 139-33-511-004**

8 WHEREAS, the City of Las Vegas Redevelopment Agency (the "Agency") adopted
9 on March 5, 1986, that plan of redevelopment entitled, to-wit: the Redevelopment Plan for the
10 Downtown Las Vegas Redevelopment Area pursuant to Ordinance 3218, which Redevelopment Plan
11 has been subsequently amended on February 3, 1988, by Ordinance 3339; April 11, 1992, by
12 Ordinance 3637 and on November 4, 1996, by Ordinance 4036 (the "Redevelopment Plan"); and

13 WHEREAS, the Redevelopment Plan identifies and designates an area within the
14 corporate boundaries of the City of Las Vegas (the "Redevelopment Area") as in need of
15 redevelopment in order to eliminate the environmental deficiencies and blight existing therein; and

16 WHEREAS, World Market Center, LLC has purchased 20 acres of vacant real
17 property (APN 139-33-611-004) and is under contract to purchase approximately 37 acres of vacant
18 land located at the southwest corner of Grand Central Parkway and Bonneville Street and which
19 parcels are commonly known as APN 139-33-511-003 and 139-33-511-004 (collectively the "Site");
20 and
21

22 WHEREAS, the City Council of the City of Las Vegas has considered the findings that
23 the development of buildings, facilities, structures or other improvements to be located at the Site are
24 of benefit to the Redevelopment Area or the immediate neighborhood in which the Redevelopment
25 Area is located; and
26

27 ...

28 ...

1 WHEREAS, the City Council of the City of Las Vegas has considered the findings
2 that no other reasonable means of financing the buildings, facilities, structures or other improvements
3 on the Site are available; and
4

5 WHEREAS, the City Council of the City of Las Vegas has considered the undertakings
6 of the Agency in connection with the Owner Participation Agreement (the "Agreement"), which
7 provides for the financing of tax increment to reimburse for certain costs incurred by Developer to
8 construct and develop certain improvements for the Furniture Mart at the Site ("Project"), all as more
9 fully set forth in the Agreement.
10

11 NOW, THEREFORE, BE IT HEREBY RESOLVED that the City Council of the City
12 of Las Vegas hereby finds and determines that the development of buildings, facilities, structures or
13 other improvements on the Site are of benefit to the Redevelopment Area or the immediate
14 neighborhood in which the Redevelopment Area is located; and
15

16 RESOLVED FURTHER, that the City Council of the City of Las Vegas hereby finds
17 and determines there are no reasonable means of financing those buildings, facilities, structural or
18 other improvements on the Site; and
19

20 ...
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1 RESOLVED FURTHER, that the City Council of the City of Las Vegas hereby
2 consents to the undertakings of the Agency in connection with the Agreement with World Market
3 Center, LLC concerning the development of the Project on the Site.
4

5 THE FOREGOING RESOLUTION was passed, adopted and approved this 18 day
6 of September 2002.
7

8 CITY OF LAS VEGAS
9

10 By: 
11 OSCAR B. GOODMAN, Mayor

12 ATTEST:

13 
14 BARBARA JO RONEMUS, City Clerk
15

16
17 APPROVED AS TO FORM

18  7/8/02
19 Date
20
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25
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*file copy
from Apple to
CC 8/21/02*

**Summary of Expected Benefits
from Proposed
World Market Center
Las Vegas, NV**

- Approximately \$1 billion investment in downtown
- Promotes economic diversification by bringing a new industry to downtown
- Will annually attract over 1 million new visitors from around the world
- Will create approximately 35,000 new jobs
- Will annually generate over \$1 million in new non-property tax revenues
- Will generate approximately \$52 million in tax-increment revenue



THE ACKMAN-ZIFF REAL ESTATE GROUP LLC

MEMBER OF THE
REAL ESTATE BOARD OF NEW YORK, INC.
WRITER'S FAX

August 22, 2001

110 EAST 42ND STREET
NEW YORK, NY 10017
(212) 697-3333

TO WHOM IT MAY CONCERN:

The Ackman-Ziff Real Estate Group, LLC is an investment and mortgage banking firm headquartered in New York. We, and our predecessor companies, have been in business over 75 years and specialize in large scale and sophisticated real estate financing transactions. We arrange and provide financing for the entire range of equity, debt and construction, permanent and mezzanine financing requirements. We have offices in New York, Washington D.C. and Boston and are recognized as a leading commercial real estate financing firm in the industry. We have successfully arranged billions of dollars of real estate financing, and conduct rigorous analysis in accepting new projects we finance.

During the last 90 days we have engaged in the analysis and assessment of the proposed 7.5 million square foot World Market Center project to be built and leased in phases in Las Vegas, Nevada. We believe that World Market Center is a unique and exciting project and are pleased to be involved in its financing. We further believe that developing the proposed state-of-the-art trade show facility for the home furnishings industry in Las Vegas is a meritorious initiative. The high level of interest already obtained by the developers (expected to be at 70% pre-leasing prior to construction), and the exciting dynamics of Las Vegas as a host city for a new trade show facility for this major industry, are significant and positive factors which impact the underwriting of the construction and development of Phase I of World Market Center.

Based on the underwriting and analysis performed by us, we have concluded that World Market Center is a financially feasible project. As a result, we believe that we will be able to arrange 80-85% of cost in construction financing for the project provided that the developer invests the remaining 15-20% in equity. Accordingly, using an approximate projected cost of \$140 million for Phase I, the developer would need to provide approximately \$21-28 million in equity and we will arrange approximately \$110-120 million in first mortgage and/or mezzanine construction financing.

~~Our financial feasibility assumes that the City will approve a public/private partnership package to help offset the additional debt service to be incurred at the permanent financing stage associated with the development of the public infrastructure currently lacking at the downtown 57-acre site.~~

We would be pleased to respond to any questions in this regard by parties referred to us by the developers of World Market Center. We enclose several copies of our company brochure for your information.

Very truly yours,

THE ACKMAN-ZIFF REAL ESTATE GROUP LLC

Lawrence D. Ackman
Chairman

NIGEL ALLIANCE O.B.E.

August 23, 2001

Mark Fiorentino, Esq.
Kummer Kaempfer Bonner & Renshaw
Seventh Floor 3800 Howard Hughes Parkway
Las Vegas, Nevada 89109

Re: World Market Center

I am writing you this letter to express my enthusiasm with regards to construction of the the World Market Center ("WMC") project in downtown Las Vegas (the "Project") which in my opinion shall have a significant positive impact for the city of Las Vegas and the industry.

I have invested and shall continue to invest in the above project. As noted in the attached letter, I am able to provide the required equity for the construction of each phase of the project that Alliance Network, the owners of WMC, decides to build. Please note that the information provided herein and in the attached letter is personal and confidential.

I am very much aware that the financial feasibility analysis of the Project, is based on the assumption that the City of Las Vegas and/or its agencies will provide the Project with a public/private partnership package (the "Public/Private Package") in connection with WMC's development of public infrastructure currently lacking in downtown, on terms satisfactory to WMC and its construction loan lenders.

This letter is addressed to you in your capacity as the counsel for the Project and WMC, and on behalf of Alliance Network LLC, the owner of the Project which I have a major share in. As such, this is a privileged attorney client communication.

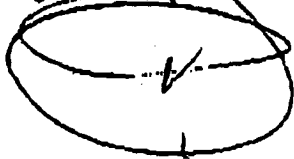
I hereby agree that solely for the purpose of procuring the Public/Private Package you may show this letter and the attached letter to the officials of the City and its agencies. This letter may not be copied or handed to anyone. Neither this letter nor the attached information is intended to create, and they do no create, any rights or claims for the benefit of any third party.

We look forward to the start of construction of this exciting project.

Sincerely Yours,

Nigel Alliance

Nigel Alliance, OBE



WORLD-CLASS EXHIBITORS

World Market Center, Las Vegas, celebrates the overwhelming support of the Home Furnishings Industry. We proudly announce the finest collection of Exhibitors in the West, including the following partial list of signed leases:

A.A. IMPORTING	LIFESTYLE CALIFORNIA
ACCESSORIES BY SHERWOOD	LITE MASTER
ACME	LIVEX LIGHTING
ADESSO	MAGNUSSEN/PRESIDENTIAL
AGA WAREHOUSE	MARTIN FURNITURE
AICO	MASTERPIECE LAMPS & ACCESSORIES
AMBIENTE	MAXIM LIGHTING
AMERICAN LIGHTING	MCERRAN DESIGNS
ANDRE ORIGINALS	MEYDA TIFFANY
APA MARKETING	MODERN OF MARSHFIELD
ARBK	MONARCH FRAME
ART DREAMS	MORONI INC.
ARTISTIC LIGHTING	NATURA WORLD INC.
ARTS & CRAFTS FURNITURE	NEW CLASSIC HOME FURNISHINGS
ASHTON CO.	NEWPORT GLIDERS
ASPEN	NORTH BAY COLLECTION
BAILEY STREET TRADING	NOVA LIGHTING
BEDTIME	OAK TREE MFG.
BEST CHAIRS	OFFICE STAR PRODUCTS
BOYD FURNITURE	OLD CASTLE FURNITURE
BROWNWOOD FURNITURE	OLIVER PHILLIPE
CAL LIGHTING	OMNIA LEATHER
CAMELOT FURNITURE	ORMAN GRUBB
CASUAL LAMPS	P.J. KIDS
CAVALIER MFG.	PADMAS PLANTATION
COMFORT RESEARCH	PARKER HOUSE MFG.
COMFORTAIRE CORP.	PASTEL FURNITURE
CONCORD FANS AND LIGHTING	PICTURE GALLERIES
COVENTRY FURNITURE MFG.	PORT TO PORT IMPORTS
CREATIVE IDEAS	EXPORTS, INC.
DALYN RUGS	PRIMO DESIGNS
DE NUNZIO INC.	PRIVILEGE INTERNATIONAL
DIAMOND SOFA	PULASKI
DINEC	RC FURNITURE
DMI FURNITURE	REGENCY HOUSE
EAGLE INDUSTRIES	RILEY HOLIDAY FURNITURE
EAST ENTERPRISES	RKADIA FINE WOOD FURNITURE
EL RAN	ROBERT ABBEY
ELEGANT PRODUCTS	ROYOLA PACIFIC
ELITE PRODUCTS	SAFAVIEH
ELK LIGHTING	SANDBERG
ELLIOTTS DESIGN	SIGMA INTERNATIONAL
ENVIRON TRADING	SIGNATURE HOME FURNISHINGS
EXPRESSIONS INTERNATIONAL	SOMERSET STUDIOS
FAIRMONT DESIGNS	SOUTHERN TEXTILES
FEATHER LIGHT LAMP CO.	STAIART INTERNATIONAL
FOREST DESIGNS	STANDARD FURNITURE
FREDRICK RAMOND	STEINWORLD INC.
FUN RUGS	STEPHAN-JOHN COLLECTION
FUR DESIGN	SUNNY DESIGNS
FURNITURE INTERNATIONAL	TEMPO
FURNITURE RESOURCE	TEMPURPEDIC
FURNITURE TRADITIONS	THE BEST QUALITY FURNITURE, INC.
GENESIS FINE ARTS	TOTAL SOURCE INC.
GLENWOOD DESIGN	TRANS GLOBE LIGHTING
GOLDEN OAK	TREND LIGHTING
GRANDRICH CORP.	TREND MANOR
GREEN GRASS FURNISHINGS	TRENDWOOD FURNITURE
GUILD CRAFT	UTTERMOST
H STUDIO	VAN GOGH FURNITURE
H.H. HIATT FURNITURE	DESIGNS LTD.
HAJJAR IMPORTS	VANGUARD ART
HAMILTON & SPILL	VAUGHAN
HEATHER ANN CREATIONS	VEGAS KIDS
HI-LITE MFG.	VERMONT PRECISION
HILLSDALE HILSTREET BEDS	WOODWORKS
HIPPOPOTAMUS	VICKY'S FURNITURE, INC.
HITCHCOCK-BUTTERFIELD COMPANY	WAMBOLD
ILLUMINATION STATION	WINDSOR ART
IMAX CORP.	WINNERS ONLY
IMPACT	WOODMARC CORP.
JOHN BOYD	WYNWOOD
KENWOOD MFG.	ZOLLANVARI
KUSHWOOD	
LACROSSE FURNITURE CO.	
LAGUNA LIGHTING	
LAMARCHE	
LANDMARK LIGHTING	
LEGENDS FURNITURE	

The orange color represents World Market Center Exhibitors with showrooms in San Francisco Mart in July 2002.

NEVADA
DEVELOPMENT
AUTHORITY

June 6, 2001

Mayor Oscar Goodman
City of Las Vegas
400 E. Stewart Avenue, 10th Fl.
Las Vegas, NV 89101

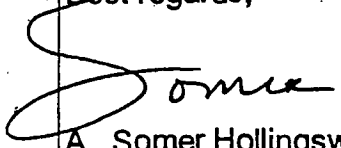
Dear Mayor Goodman:

The mission of Nevada Development Authority (NDA) is to foster and promote the economic diversification of the Southern Nevada economy. It is with great pleasure that we have been introduced to the World Market Center project and an honor that they have chosen Las Vegas, the fastest growing city in America, as the site for their project.

The proposed project not only provides a timely opportunity for greater economic diversification but creates the opportunity to bring other economic benefits to Southern Nevada. With the potential capital and the eventual creation of thousands of new jobs, this facility represents a significant impact on the local economy.

Nevada Development Authority would welcome a project of this caliber to our community and feel it a very compatible extension of our economic development program. I assure you that Nevada Development Authority is supportive of all efforts to locate this project in southern Nevada and gladly offers any assistance that is appropriate to move the project to a successful conclusion.

Best regards,



A. Somer Hollingsworth
President & CEO

ASH:kp

Las Vegas Chamber of Commerce

The Voice of Business

Donald L. "Pat" Shalmy
President

June 20, 2001

Mayor Oscar Goodman
City Hall
400 East Stewart Avenue
Las Vegas, NV 89101

Dear Mayor Goodman:

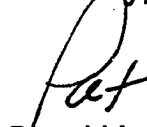
The Las Vegas Chamber of Commerce has always supported public/private partnerships as a way of promoting economic diversification and growth while minimizing the financial burden to the area's citizens. The state and its municipalities have made significant improvements over the years, bringing high-end companies to our area and we encourage continued support of these projects, such as the one being considered by the Las Vegas City Council.

The World Market Center has proposed a state-of-the-art facility that will increase jobs, generate additional property taxes, and attract millions of new conventioners as a result of the Center's presence. This unique proposal brings new economic opportunity to our area with many benefits to downtown revitalization.

Creative partnerships such as the World Market Center can diversify local tax revenues and provide economic benefits to the city. Las Vegas prides itself in being different from other cities. We are known for setting the trend in the gaming and entertainment business. At the Chamber, we believe this is another defining moment in our history where we will once again raise the bar of innovation in our efforts to attract new businesses to our area.

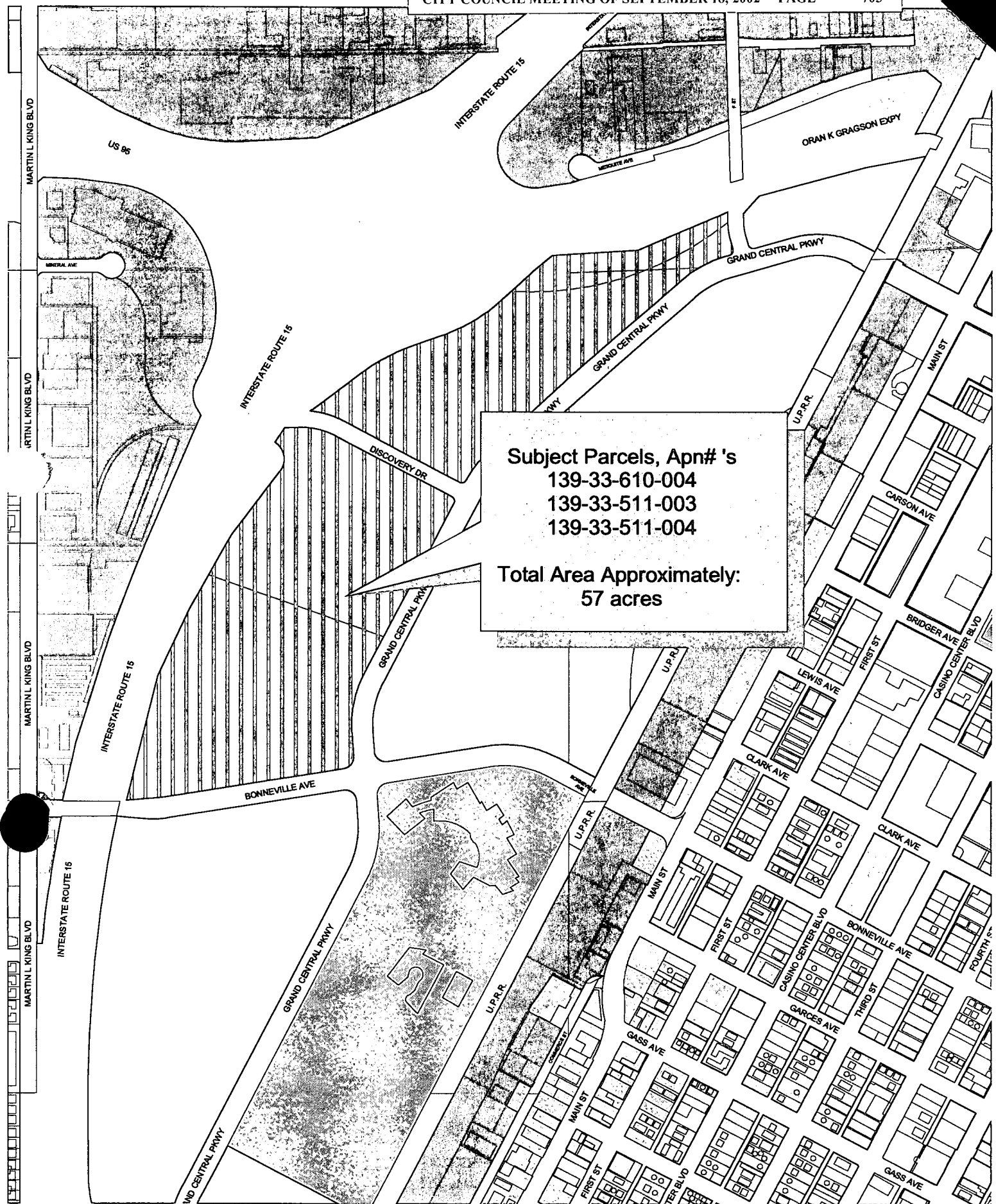
I'm happy to discuss this issue with you further, please feel free contact me at (702) 735-2450.

Sincerely,


Donald L. "Pat" Shalmy
President

Phone: 702.735.2450
Fax: 702.735.1787

3720 Howard Hughes Parkway
Las Vegas, Nevada 89109-0937
www.lvchamber.com



Subject Parcels, Apn# 's
 139-33-610-004
 139-33-511-003
 139-33-511-004

Total Area Approximately:
 57 acres

World Market Center

JONES VARGAS

ATTORNEYS AT LAW

THIRD FLOOR SOUTH

3773 HOWARD HUGHES PARKWAY

LAS VEGAS, NEVADA 89109-0949

TEL (702) 862-3300 FAX (702) 734-2722

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 LOUIS MEAD DIXON (1919 - 1993)
 GARY T. FOREMASTER (1953 - 1998)

OF COUNSEL
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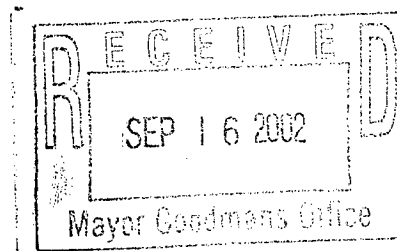
TONY F. SANCHEZ III
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 AMY N. TIRRE
 GORDON H. WARREN

September 13, 2002

Honorable Oscar B. Goodman
 Mayor, City of Las Vegas Nevada
 400 Stewart Avenue
 Las Vegas, NV 89101

Re: World Market Center

Dear Mayor Goodman:



Enclosed please find a letter from Walker Furniture, signed by Darryl Alterwitz, confirming in writing Walker's acceptance of the most recent version of the Owner Participation Agreement in connection with the World Market Center project. The letter goes on to describe Mr. Samson and Mr. Kashani as honest, forthright and outstanding business men, which, I am told, corrects a description of them contained in a prior letter to the City from Walker Furniture which I have not seen.

I look forward to the final approval of the World Market Center Owner Participation Agreement at the September 18 City Council meeting and to the benefits this project will bring to the City.

Very truly yours,

JONES VARGAS

RICHARD F. JOST

RFJ/yg
 Enclosure.

H:\USERS\RFJ\Furniture Mart\MayorGoodmanLtr.wpd #20701.2

Submitted at City Council

Date 9/18/02 Item #77

RENO OFFICE:

100 WEST LIBERTY STREET, 12TH FLOOR

RENO, NEVADA 89501

TEL: (775) 786-5000

FAX: (775) 786-1177

*LICENSED IN CALIFORNIA AND FLORIDA ONLY
 **LICENSED IN GEORGIA AND DISTRICT OF COLUMBIA ONLY
 ***PETE ERNAUT IS AN EXECUTIVE EMPLOYEE NOT LICENSED TO PRACTICE LAW

WALKER FURNITURE

September 9, 2002

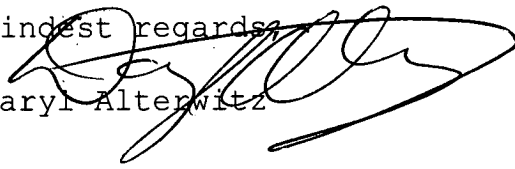
Mayor Goodman and Las Vegas City Council
400 E. Stewart Avenue
Las Vegas, NV 89101

RE: WORLD MARKET CENTER

Dear Mayor Goodman and Councilpersons:

I want to take this opportunity to thank all of you for your consideration and support in the negotiations for downtown redevelopment. Regarding the Owner Participation Agreement, I reviewed a draft forwarded to me from Steve Van Gorp on 8/28/02. The changes to the document set forth therein reflect the last negotiated compromises and we do not intend to raise any further objections so long as that draft is presented to City Council in its present form. We trust that the agreement will be administered and enforced in accordance with its terms as well as in accordance with the spirit and intent that has been part of these negotiations. We also trust that the city will provide support to Walker Furniture and other similarly situated businesses as appropriate in the future. Regarding the developers, to the best of my knowledge, both Mr. Samson and Mr. Kashani are honest, forthright and upstanding businessmen, and despite our difficult negotiations, I support their development, subject to those limitations set forth above and in the above-referenced draft of the Participation Agreement presented to you at the August 21, 2002, City Counsel meeting. Again, I thank you for your consideration.

Kindest regards,


Daryl Alterwitz

DSA/acs

**CITY COUNCIL AND
CITY OF LAS VEGAS REDEVELOPMENT AGENCY MINUTES
MEETING OF
September 18, 2002**

**COMBINED VERBATIM TRANSCRIPT: CITY COUNCIL ITEM 77 – R-69-2002 –
DISCUSSION AND POSSIBLE ACTION REGARDING A RESOLUTION
CONSENTING TO CERTAIN UNDERTAKINGS OF THE CITY OF LAS VEGAS
REDEVELOPMENT AGENCY IN CONNECTION WITH THE OWNER
PARTICIPATION AGREEMENT WITH WORLD MARKET CENTER, LLC, FOR THE
PROJECT CONCERNING THE DEVELOPMENT OF REAL PROPERTY GENERALLY
WEST OF GRAND CENTRAL PARKWAY AND NORTH OF BONNEVILLE/ALTA
AND
REDEVELOPMENT AGENCY ITEM 3 – RA-2-2002 – DISCUSSION AND POSSIBLE
ACTION REGARDING A RESOLUTION FINDING THE PROJECT PROPOSED BY
THE OWNER PARTICIPATION AGREEMENT BETWEEN THE CITY OF LAS VEGAS
REDEVELOPMENT AGENCY AND WORLD MARKET CENTER, LLC, TO BE IN
COMPLIANCE WITH AND IN FURTHERANCE OF THE GOALS AND OBJECTIVES
OF THE AGENCY'S REDEVELOPMENT PLAN AND AUTHORIZE THE EXECUTION
BY THE AGENCY**

MAYOR GOODMAN

All right, Item No. 77. This is R-69-2002, discussion and possible action regarding a Resolution consenting to certain undertakings of the City of Las Vegas Redevelopment Agency in connection with the Owner Participation Agreement with World Market Center, LLC, for the project concerning the development of real property generally west of Grand Central – Parkway and north of Bonneville/Alta. This item is related to Redevelopment Agency Item No. 3. Ms. Coder.

LESA CODER, DIRECTOR OF BUSINESS DEVELOPMENT

Thank you, Mr. Mayor. You may recall that approximately four weeks ago, this item was held to resolve a few issues both regarding retail sales of furniture and related items within the Redevelopment Agency area in the City of Las Vegas and issues regarding the Employment Plan which is required to go along with the Owner Participation Agreement. Since that time, you have heard from one of the retailers within the area, a furniture retailer, that language has been resolved to his satisfaction, and I am happy to report today that after some lengthy meetings with various interest groups regarding the Employment Plan, we believe that those issues have been resolved as well.

**CITY COUNCIL AND
CITY OF LAS VEGAS REDEVELOPMENT AGENCY MINUTES
MEETING OF
September 18, 2002**

**COMBINED VERBATIM TRANSCRIPT: CITY COUNCIL ITEM 77 – R-69-2002 AND
REDEVELOPMENT AGENCY ITEM 3 – RA-2-2002 - WORLD MARKET CENTER, LLC**

I would add too that that we, as of this morning, have heard through Assemblyman Williams, that the Urban Chamber of Commerce would like to address some issues regarding employment plans and the procedures involved with that. They do, however, want this item to move forward as – drafted today and staff will be meeting with them and asking the City Attorney to step in and help us address their concerns for future employment plans.

At this time, I might defer to Mr. Jerbic, if you have any specific questions or comments regarding the Employment Plan. And with that I would turn it back to City Council.

MAYOR GOODMAN

All right. Mr. Jerbic, would you be kind enough to advise us as to what progress has been made concerning the Employment Plan?

CITY ATTORNEY BRAD JERBIC

I'll be happy to. Your Honor and members of Council, the, first I would like to thank all the people that brought the, some of the problems to our attention and worked so hard with the City to arrive at a final employment plan, which is part of your backup documentation. I think Stan Washington's in the audience right now, right behind me here. I want to thank you, Stan, Gary Peck with the ACLU, Mike Slayer, Patricia Price, Gene Collins. Mark Fiorentino was wonderful to work with on this and a particular thanks to Assemblyman Wendell, excuse me, Wendell Williams who is here today. Assemblyman Williams was partially responsible for the original bill which required employment plans be part of redevelopment projects and to have the person who envisioned employment plans sitting at the table with us, creating this Employment Plan, I think made it a better plan.

The plan that's before you today has got a lot of changes from the plan that was originally submitted. The plan specifically requires the developer in this case promote the involvement of women, minority, disabled and veteran-owned businesses; that they follow the equal opportunity contracting policy of the City; that they use the City's minority vendors directory in trying to

**CITY COUNCIL AND
CITY OF LAS VEGAS REDEVELOPMENT AGENCY MINUTES
MEETING OF
September 18, 2002**

**COMBINED VERBATIM TRANSCRIPT: CITY COUNCIL ITEM 77 – R-69-2002 AND
REDEVELOPMENT AGENCY ITEM 3 – RA-2-2002 - WORLD MARKET CENTER, LLC**

accomplish those goals; that they advertise in specific areas of the City to make sure that we have least fifty-one percent involvement of people that live in the Redevelopment Area and in particularly, people that live in what we call the special impact area. Those are census tracts that are a subset of the Redevelopment Area where the unemployment, where the – status of the individuals far exceeds the rest of the Redevelopment Areas as far as needs are concerned.

They have to do their best to try and break down contracts into smaller units because there's a recognition that sometimes a new business, a minority-owned business, a veteran-owned business, a disabled-owned business, may not have the size and bonding capacity of a bigger business. And therefore, they're going to do their best to break the contracts down into smaller units to try and attract more of those individuals in the – a process.

They're going to hold a job fair to try and attract individuals to the project. They're going to, at the same time, try and engage in joint ventures and encourage joint ventures, that is, bigger businesses partnering with small businesses to get everybody involved in this project. They're going to utilize a number of referral agencies and thanks to the people that were at the table negotiating with us, the list of agencies that are going to be used for job referrals has been almost doubled.

Finally, there was a lot of concern over the accountability of people, after projects are approved and employment plans are approved. In this particular case, the developer is going to be submitting quarterly reports. Those quarterly reports will be reviewed by staff and by the project manager. Those quarterly reports will also be provided to CCDC, which will review them and they'll also going to be made available at no cost to any member of the public who wants them, by the developer.

Those are essentially the highlights of the Employment Plan. If you have any questions, I'll be glad to answer them.

COUNCILMAN McDONALD

Your Honor, one comment also.

**CITY COUNCIL AND
CITY OF LAS VEGAS REDEVELOPMENT AGENCY MINUTES
MEETING OF
September 18, 2002**

**COMBINED VERBATIM TRANSCRIPT: CITY COUNCIL ITEM 77 – R-69-2002 AND
REDEVELOPMENT AGENCY ITEM 3 – RA-2-2002 - WORLD MARKET CENTER, LLC**

MAYOR GOODMAN

Yes.

COUNCILMAN McDONALD

I don't know if you recognize those, Mr. Jerbic, but also Gene Collins, who was, –

CITY ATTORNEY BRAD JERBIC

I'm sorry. I thought –

COUNCILMAN McDONALD

– yeah, he was involved, several calls to my office as well, so, good job on that, Gene.

MAYOR GOODMAN

All right. I see these gentlemen are lined up here. Did you wish to heard to be heard on any matter?

STAN WASHINGTON

Yes.

MAYOR GOODMAN

All right, let's put a one-minute time limit on this, please.

STAN WASHINGTON

Thank you, Your Honor. Stan Washington, Las Vegas. I concur with the City Attorney. It is a much better plan and I want to thank the Council for taking time out to be diligent and make sure that we have a plan that everyone can feel comfortable with. It was truly a collaborative effort.

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All ethnic groups participated, wide range of organizations. So, I think it's something we can be proud of.

Certainly would be remiss if I didn't give some thanks out and some kudos. We certainly want to start with Assembly Wendell, Assemblyman Wendell Williams, who basically authored the legislation in the first place and that we had to start with that and he certainly played his role in making sure that things went the way they were supposed to go. Want to certainly thank Lesa Coder, Brad Jerbic. They basically did exactly as you guys instructed them to. They worked with us and everything went the way it was supposed to go and certainly also without, last but not least, I want to go ahead and thank the Councilman for allowing us to go ahead and – get the same consideration that the other people got who had something to say about the project. Thank you.

MAYOR GOODMAN

Very good. Thank you very much and thank you for your efforts too. I know that you were very much involved right from the beginning with this concept and we appreciate it.

STAN WASHINGTON

(Inaudible) Let's get this project off the road.

MAYOR GOODMAN

That's what we're trying to do. As soon as – That's why I'm putting one-minute limitations on you, so we can get to it. Yes, Sir.

SLY COLEMAN

Sly Coleman of Las Vegas, also the Military Veteran Liaison, just resigned that position. We have a new person. But I was in the meetings and shared the veterans, we felt got our fair share. Very much impressed with your staff, the way they worked and very much, we appreciate it from

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the Veterans. We're - tipping the closed ranks and I don't know if you know what that – means but, we're attempting to come under one umbrella, the Veterans, and again we have some other projects that I'm sure you're gonna hear about. But again, I just want to thank you, Mayor, and your staff. They did a really outstanding job. Thank you.

MAYOR GOODMAN

We appreciate that. Thank you very much. Mr. Collins?

GENE COLLINS

First of all, good morning and my name is Gene Collins for the record and I reside at 1101 Eleanor. First and foremost, Mayor, I would like to say, thank you for being steadfast and saying that unless all of us are represented in this project, nobody will be represented. So first of all, I have to say thank you for that. Mr. Jerbic, Ms. Coder, my own Councilman, who allowed us the opportunity to put this in abeyance for a couple more weeks, all of you all who has done an excellent job and it shows that when government and the constituents are linked together, this is what the results are. And this is something that we can all sink our teeth in and we can all be proud of this accomplishment and this achievement.

You know, 40 years ago, Dr. Martin Luther led the – historical march. This is just as important because what it does, it brings all of us into the economic realm of – everything. And I know that I've spent all of my life trying to make a difference in this community.

So I just want to thank each and every one of you all for doing what you have done. If it wasn't for what you did, we wouldn't be standing here commending you today. Thank you again.

MAYOR GOODMAN

That's very nice. Thank you very much.

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TOM McGOWAN

Tom McGowan, Las Vegas resident and personally qualified musical entertainer. How many job potentials will there be at this particular project that will employ or offer an opportunity for employment for a locally resident, professional musical entertainers?

MAYOR GOODMAN

Those are some of the issues I'm going to address.

TOM McGOWAN

All right. See, those are the particulars I'm interested in, in the broader base, okay?

MAYOR GOODMAN

Right. Right.

TOM McGOWAN

And I understand it may be early in the game, but there may be none, but if there's any, they should be locally first. Secondly, I want to commend the Council, everybody concerned, including Ms. Coder and her staff and Mr. Jerbic and his staff for their excellent work. And what you did is called genuine community. I recommend you keep it up and broaden the base of it. And there's plenty of room for that. We'll discuss that as we go along. Thank you very much.

MAYOR GOODMAN

Okay.

STAN WASHINGTON

I left out Assemblyman Willy Williams on this.

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MAYOR GOODMAN

Okay. Did he tell you to say that?

STAN WASHINGTON

No.

ASSEMBLYMAN WENDELL WILLIAMS

Oh, I know better.

MAYOR GOODMAN

Okay.

FRANK KERN

My name's Frank Kern, I'm a County resident. I want to echo the comments of Sly Coleman, especially about Veteran activism. Hopefully in the future, we'll be a bigger force. And I do want to thank Brad Jerbic, Lesa Coder and their staffs for excellent cooperation.

This Employment Plan is an excellent example of the value of political activism. Many citizens are complacent, uninterested and claim their voice won't be heard. Our voices will always be heard when there are enough citizens who practice political activism and good citizenship. And I, I'd like to make a comment. Councilman Weekly addressed the problem of the VA Clinic and veteran health care in the Valley. All elected vis, officials in the Valley must get involved to ensure that Veterans are well served. Thank you.

MAYOR GOODMAN

Thank you very much.

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COUNCILMAN McDONALD

Oop, watch out now. (inaudible)

BEATRICE TURNER

Excuse me, honey. Beatrice Turner, West Las Vegas. Now we can he, how many jobs will be up available, you know, with this project coming along? How many jobs is coming to the table? 'Cause you know, I'm tired of this myth going through my community talking about 35,000 jobs coming to my community and I know ain't no 35,000 jobs coming to my community. And I stand here today and say everything that'll be on the up and up, I betting I smell a – rat no where in this 'cause I tell you what. A few folks ain't going like Beatrice when they got to step to the plate in front of me.

MAYOR GOODMAN

Okay. Anybody else want to threat? I mean talk. Okay. Let me – ask you few questions, if I – Mr. Jerbic, did you want to be heard?

CITY ATTORNEY BRAD JERBIC

(inaudible)

MAYOR GOODMAN

Okay. Mr., and, Mr. Fiorentino, I'd like to ask you some questions. As you know, this project is of most importance to the City of Las Vegas. It is the second major project that we will have surrounding our 61 acres down there and we all look at that as being the potential for the City within the City and the future growth of the downtown area. And the City Council, I think, has really done something different than any other City Council has. We've – I'm not saying we thought out of the box because that may be giving us too much credit, but we certainly have used

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techniques in order to entice these businesses into the area; Chelsea, and now the World Market, by tax increment financing benefits.

So the public understands, I think it's important that the record be very, very clear that we're not giving anybody any money up front, no taxpayer dollars are being expended in order to entice the businesses here. Although, that – would be perfectly acceptable under any kind of redevelopment standard and that's what's done in other Cities. We just don't have that kind of money here so we have to think a little different way of handling these things. So we've entered into an agreement with you that after you are very, very successful, hopefully, you will then pay your taxes and then we will take eighteen percent off of that and we will put it into our Redevelopment Fund, in order to have affordable housing, and then we're going to split the balance. So in other words, we'll give you back forty-one percent and we keep forty-one percent. So it's a win-win for everybody. And that money that you get, you can't just willy-nilly spend it and put it in your pocket. That has to go into improvements for the project. So that's understood. Am I right so far?

ATTORNEY MARK FIORENTINO

Yes. Exactly.

MAYOR GOODMAN

Okay. Now, in order to qualify for that benefit, this Council has to make certain findings that are consistent with the Redevelopment Plan as well consistent with our obligations before we agree to this kind of tax increment financing proposal. And one of those is that the development of the buildings and facilities and structures and other improvements to be located at the site are a benefit to the Redevelopment Area or the immediate neighborhood in which the Redevelopment Area is located. So I would like you, Mr. Fiorentino, to satisfy that burden and, Ms. Coder, if you feel a need to supplement that, feel welcome to do that. Mr. Jerbic, you feel free to supplement it as well.

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But I'd like to hear how you justify the tax increment financing by the development of the buildings benefiting the Redevelopment Area, which this is in the Redevelopment Area, of course and the immediate, or the immediate neighborhood in which the Redevelopment Area is located.

LESA CODER, DIRECTOR, OFFICE OF BUSINESS DEVELOPMENT

Mark.

ATTORNEY MARK FIORENTINO

Thank you, Your Honor. Mark Fiorentino. I represent the World Market Center on this item, as you know. I – want to answer your question, but if – you would indulge me and let me make a brief thirty-second presentation first –

MAYOR GOODMAN

Be delighted. I want to hear it because it's a big day for the City of Las Vegas.

ATTORNEY MARK FIORENTINO

There is a res – The first item on your agenda is a resolution to – make the findings that are required by statute; and there are two and you asked me about the first one and I'll come back to it. As you'll recall, several weeks ago, we submitted a number of exhibits and documents and asked you to make those part of the record, and I'm going to relate back to them a little bit when I get to that part.

MAYOR GOODMAN

Very good.

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ATTORNEY MARK FIORENTINO

I wanted to say just a minute, something in general about the Employment Plan, before I move on to answering your question. We're very proud of the fact, that – I think we've presented to you today the most progressive and detailed Employment Plan that's ever been presented to the City on any of the projects you worked on. It – provides both the framework and the responsibility for the developer and the City to work together to provide job – opportunities to qualified individuals who might not otherwise have those job opportunities. And it's something that we're very proud of and – Councilman, you should be very proud of as well and proud of the people who worked on it.

COUNCILMAN WEEKLY

(Inaudible)

ATTORNEY MARK FIORENTINO

But I think I would be remiss if I didn't tell you that Brad Jerbic deserves the lion's share of the credit for getting this done. He has shown great leadership. He drafted the Plan and then he coordinated meetings and spent an awful lot of time with all of the interested parties to take that draft plan and present the final product that everybody has supported before you today. Brad and I don't always agree on things, but he deserves an awful lot credit and I wanted to personally thank him on the Employment Plan for that work.

In general, we think this Agreement that's before you creates a great public/private partnership, you hear it talked about it all the time and we're looking very forward. I know the developer's looking very forward for a very long history of this project, working with the City together as a team, to make this part of your overall downtown development plans.

On the issue of the benefits that this brings to the redevelopment and the surrounding area, you remember I passed out on several occasions a one-page document called The Summary of the Expected Benefits from this project. This is a reduction of a very lengthy study that we had Dr.

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Schwaer do for us. I think most of these are not in dispute, but I wanted to read them into the record. This is a multi-phase project. It's a eight- to ten-year project on our current plan and when we're done, we expect to invest approximately a billion, one billion dollars in this project downtown. That's obviously a substantial investment in the downtown. I think that alone would justify your support of the project.

However, it's not, it's also a project that we think is going to provide some economic diversification because it is a wholesale furniture industry that doesn't exist here and the related industries that go with it that don't exist here; certainly not in downtown Las Vegas and maybe not in Southern Nevada. It's an industry that attracts visitors from all over the world, as Councilwoman McDonald will tell you from her visit to High Point, when we took her out there to show her what we were talking about. It's people coming from not only across the United States, but all over the world. So we're creating new visitors and new tourism to downtown.

I'm going to skip the jobs for a second. We also think we're going to generate approximately a million a year in new property tax revenues because it's not just tax increment we create, we create other property tax revenues. And we think over the life of the project, now this is a, the tax increment number depends on a lot of economic factors, but we expect that we're going to generate a total of somewhere between fifty and eighty million in tax increment for the - City and the developer to share on this infrastructure.

So, on the jobs. Again, it's an eight- to ten-year project. We – think we've refined the numbers a little bit. There's two types of job creations that I think are important to you. One, are the direct jobs. When this project is built and completed ten years, how many people will actually be in these buildings working? And we expect that that'll be somewhere around fifteen hundred people over the life of the project. It could be substantially more; might be slightly less, depending on how the project develops over it's phases. That's fifteen hundred direct, permanent jobs, is what we expect.

Dr. Schwaer's report indicated that based on economic formulas and datas (sic) that I presume are generally accepted in the, in his profession, that it, the project could generate 35,000 total

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direct and indirect jobs. Now the indirect jobs are a little bit less, or a little bit more difficult to define. What it predicts is, when I bring a new business downtown, these tourists who come downtown to the shows will also need to go to restaurants. They'll also need to stay in hotels. They'll also need to do shopping, those sort of things and because they have to do that, the restaurants will have to hire new people that they don't have today because they'll have more business than they did in the past, same thing with the hotels and all of the indirect industries. I think, I'm a, an attorney, not an economist and I got a C minus in – that course when I was in college.

MAYOR GOODMAN

Well, then don't tell us anything about it.

ATTORNEY MARK FIORENTINO

Okay.

MAYOR GOODMAN

I mean, why do we want to hear from a C minus for?

ATTORNEY MARK FIORENTINO

I'll give you a C minus answer.

COUNCILWOMAN McDONALD

I have an A, so – I can tell (inaudible)

ATTORNEY MARK FIORENTINO

I think the general concept that when you build a project of this size, it will create other jobs outside its boundaries, is sound.

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MAYOR GOODMAN

Is – it similar to the formula that I've heard over the years, that for every new hotel room that's built here, it creates five jobs because the – you have to –

ATTORNEY MARK FIORENTINO

It is similar.

MAYOR GOODMAN

Okay, the same type – of number.

ATTORNEY MARK FIORENTINO

I think the basis of that is sound, whether that's 20,000 jobs or 50,000 jobs, is for the economists to decide and for the future because at some point –

MAYOR GOODMAN

I just don't want Ms. Turner to – be confused about 35,000 new jobs, because there're – not going to be 35,000 new jobs in any foreseeable future and right now we're hopeful that if we get 1500 permanent jobs out of it, that's pretty good too.

ATTORNEY MARK FIORENTINO

One other thing that's not on the list, and then I'll go on to whatever other questions you may have, with respect to the benefits of this project is, we think it has the potential to bring other industries to the Valley and to the City of Las Vegas, in particular, related to the furniture industry. For example, once you get the wholesalers here and – displaying their goods, you have a foot in the door to get them here to actually manufacture and distribute their goods. Las Vegas

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is a – good hub, a good distribution hub, because of its geographic location and – we think that's a real potential and another factor that warrants your support of the project.

MAYOR GOODMAN

All right, the second question I have for you is that, are there other available or reasonable means of financing other than with the tax increment, as far as financing the buildings, the facilities, the structures or other improvements on the site?

ATTORNEY MARK FIORENTINO

With respect to the current investors we have in this project, I think the answer is no. We submitted to you a (sic) letters both from the equity investors and with the person, the people who help us do the financing of this project, both of whom said that they would not consider – They didn't say that. They said that they – found it imperative that you participate in the manner that's sought in this Agreement in order for them to – invest in the project. So I think it's imperative that you do what the Agreement asks you to do in order to get this project financed.

MAYOR GOODMAN

All right. Mr. Jerbic, do you believe that Mr. Fiorentino's responses satisfy our obligations to make findings?

CITY ATTORNEY BRAD JERBIC

I do, Your Honor.

MAYOR GOODMAN

All right. Very good. Ms. Coder, you have anything to add?

LESA CODER, DIRECTOR OF BUSINESS DEVELOPMENT

No, Sir, I would concur with those findings.

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MAYOR GOODMAN

Okay. Are there any questions of the folks who are up here before we ask Mr. Samson to come up? Okay. Anybody? Councilwoman.

COUNCILWOMAN McDONALD

Just I guess comment more so than a question.

MAYOR GOODMAN

Fine.

COUNCILWOMAN McDONALD

– and that, I think the term that Mr. Fiorentino was looking for was called the Multiplier Effect that we learn in –

ATTORNEY MARK FIORENTINO

You got an A in Economics at college.

COUNCILWOMAN McDONALD

Yes, I did. So any way, and often times, you'll hear, you know, Lesa Coder and others talk about the spin-off development, which comes from the fact when you have a critical mass of development and I, Mr. Fiorentino's absolutely correct. I ap, went with the team back to High Point, North Carolina, and it was literally the week following September 11th. And probably the first group of flights to leave McCarran after the flights had started again. And I was very fascinated that even a week after a national tragedy, that this was a convention that didn't seem to be tremendously impacted in its attendance. There were literally hundreds of thousands of people from all over the globe gathered there at High Point and I became very bullish about that project from that point forward. Not only because of its economic development potential,

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because it would be bringing in a new industry that did not exist here in Southern Nevada, but what I saw as the beauty of High Point was the spin-off development, that I saw this as an industry that would stimulate expansion of hotel rooms in downtown Las Vegas, more retail, more food and beverage opportunities. And so, the beauty of the World Furniture Mart, in my view, is not just the direct jobs but the fact of the matter that if you're a Veteran or a woman-owned business or a minority-owned business, you will have a great opportunity to launch something because of the spin-off development that will occur because of such a, the critical mass coming because of the Multiplier Effect.

So, I'm fully supportive and I want to commend all those in the community that worked with, you know, Councilman Weekly and his staff and Attorney Jerbic to bring the Employment Plan together and I think it creates a wonderful model as other projects come to the Redevelopment Area, that we can replicate. So, thank you for your perseverance and I'm very supportive of getting this approved today.

MAYOR GOODMAN

All right. Thank you very much. Any other comments or questions at this time?

TOM McGOWAN

Just one very quick, small question.

MAYOR GOODMAN

All right.

TOM McGOWAN

Recently. Tom McGowan, Las Vegas resident. Recently, there was a bill draft sent up to Carson City with regard to the potential for investment on the part of elected and appointed officials in redevelopment agencies. If that's enacted, what would be the impact of that enactment upon this

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particular project? You're talking about potential investment in a redevelopment project such, of this nature and yet at the same time, broad-based open participation. How would you cope with that?

MAYOR GOODMAN

Mr. Jerbic, you want to respond?

CITY ATTORNEY BRAD JERBIC

I don't have a response to that, Your Honor. I'll be glad to look at that and get together with Mr. McGowan and provide him an answer. I – did want to make one comment though and I think it's pretty obvious but just out of an abundance of caution, I'd like the record reflect that today's record should include all previous records on this matter and all previous documents that have been submitted to the Council and they should be incorporated in by reference.

MAYOR GOODMAN

All right. That's so ordered. All right, Mr. Samson, why don't you come up here, please.

ATTORNEY MARK FIORENTINO

I hadn't authorized him to speak, but –

MAYOR GOODMAN

Well, you can tell him to take the Fifth or else he'll speak at his peril.

ATTORNEY MARK FIORENTINO

I'm sure he's happy to address you, Mayor. I'm teasing.

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MAYOR GOODMAN

Okay, Abbott. How long has it been since we got together?

SHAWN SAMSON

Oh, about a hundred years.

MAYOR GOODMAN

What about two years at least?

SHAWN SAMSON

It's three years ago we started.

MAYOR GOODMAN

Three years? Three years we started and you came out to see me and you said, all I want from you is for the City to embrace us and we've come a long way to reach today's, I would say, historic occasion. I – think I'm fair in that description, based on the letters that I've received, which are part of our backup for the Chamber of Commerce, which says that, at the Chamber we believe this is another defining moment in our history where we'll one, we will once again raise the bar of innovation in our efforts to attract new business to our area, support of this project. And from the Nevada Development Authority, that notes that the proposed project not only provides a timely opportunity for greater economic diversification, but creates the opportunity to bring other economic benefits to Southern Nevada with the potential capital and eventual creation of thousands of new jobs, this facility represents a significant impact on the local economy. And as also part of our impact, there's an exhibit, called World Class Exhibitors. Are you familiar with that?

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SHAWN SAMSON

Yes.

MAYOR GOODMAN

This is the document.

SHAWN SAMSON

Our tenant list.

MAYOR GOODMAN

And this, you represent, in that document, that the World Market Center announces the finest collection of exhibitors in the West, including the following partial list of signed leases.

SHAWN SAMSON

Those are all signed leases.

MAYOR GOODMAN

Well, this is incredible, ladies and gentlemen, those who are viewing us here. We in the Council are fortunate enough to have this document before us to show what kind of businesses are coming into this community that are not here at this point in time. It starts off at AA Importing and it's almost – like you want to read them all but they're, it's available for anybody who wants to see it. AA Importing, Accessories by Sherwood, Acme, Adesso, AGA Warehouse, AICO, Ambiente, American Lighting, Andre Originals, APA Marketing, ARBEK, Art dreams, Artistic Lighting, Arts & Crafts Furniture, Ashton Co., ASPEN. Those are the A's. Okay? Then the B's and then the C's and then the D's and all the way down to the Z's. This is – awesome, for our –

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SHAWN SAMSON

Mr. Mayor, that's over two hundred businesses right there.

MAYOR GOODMAN

Two hundred businesses and we're not doing anything in the downtown area, but we're going to bring two hundred new businesses down here in order to diversify our economy.

ATTORNEY MARK FIORENTINO

Your Honor, I have – extra copies of that list, which I'll leave here –

MAYOR GOODMAN

Yeah, I'd – like the public to have access to it. I think it's pretty – important to anybody who's interest in the truth.

ATTORNEY MARK FIORENTINO

I'll leave it here at the podium.

SHAWN SAMSON

And these are all major manufacturers with significant facilities.

MAYOR GOODMAN

Oh, I met a lot of them. And when you had your party out at the Sterling and I can tell the folks that these people were from all over the world.

SHAWN SAMSON

That is correct.

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MAYOR GOODMAN

And they were dripping with money. Okay? I know about money. And if they were – driving up, they would be driving up in Rolls Royce's and Mercedes and Lamborghini's, but they flew in on their private jets, so I didn't know what they were driving.

SHAWN SAMSON

And they want to invest their money here in downtown Las Vegas.

MAYOR GOODMAN

And they want to put their money, and I asked them that, and they said, yeah, they want to put their money in Las Vegas, Nevada and it's going in the downtown area of Las Vegas, Nevada.

SHAWN SAMSON

Correct.

MAYOR GOODMAN

And to the blind, we – will make that known. Well, this was not an easy project. We had to overcome the community activism and satisfied that community activism and I – applaud those folks who stood up here and said, we need the jobs, we need to diversify, we need a plan which can, is consistent with the 21st Century for Las Vegas, Nevada. And I applaud you, and I applaud Brad Jerbic for breaking your butt to get this done as quickly as possible in a way that satisfied some very, very difficult people, including my friend, Gary Peck, who stuck his nose in our businesses.

But – rightfully so. No problem. He – had the right – intention and it worked and that's the best as Sly indicated. That's the best that government's all about. This is – what it's supposed to be. This is – really what it's all about, but more important, I think the man, and I have to tell you

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this, Mr. Samson. The man most responsible for making this work and I hate to say it because I'd rather have his fee than what I'm making as the Mayor here, but Mr. –

SHAWN SAMSON

Please don't drive it up for us.

MAYOR GOODMAN

Don't worry. Whatever – you – paid him isn't enough, okay?

ATTORNEY MARK FIORENTINO

Keep talking, Your Honor.

SHAWN SAMSON

Thank you very much. I agree.

MAYOR GOODMAN

And he – was extraordinary because he was dogged in his approach to this project. He – met with all of us and he – didn't give anything away, but he knew what the delicate balance was to strike a public/private partnership, to make this City a better place and to diversify our economy and to provide the jobs and to do what a lawyer is supposed to do. He – was wonderful on your behalf. And he had a task, once again, not only to deal with the folks who are here today, but with Mr. Alterwitz, who was back there. Mr. Alterwitz led a citizen revolt, in effect, against – a

SHAWN SAMSON

Business revolt.

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MAYOR GOODMAN

Well, it – I congratulate him too.

SHAWN SAMSON

And we thank him as well.

MAYOR GOODMAN

He's – what government's all about and what constit, constituency is all about. He wanted to make sure that the investment he has in downtown Las Vegas is protected and that his colleagues were protected and they worked together, and as rational human beings, they came to an accord and that's evidenced and I'm going to make this part of the record, Ms. Ronemus. That's evidence in the letter that Mr. Alterwitz read, wrote to us and was sent to us by his attorney, Mr. Jost, who's here. And basically, what he says, we trust that the Agreement will be ministered and enforced in accordance with its terms as well as in accordance with the spirit and intent that has been part of these negotiations. We also trust that the City will provide support to Walker Furniture and other similarly situated businesses as appropriate in the future. Regarding the developers, to the best of my know, both Mr. Samson and Mr. Kashani are honest, forthright and outstanding businessmen and despite our difficult negotiations, I support their development subject to those limitations set forth above in the above-referenced draft of the Participation Agreement presented to you at the August 21st, 2002 City Council meeting. I thank you for this, Mr. Alterwitz, and this will be made part of the record as well.

SHAWN SAMSON

(Inaudible)

ATTORNEY MARK FIORENTINO

Your Honor, just so the records clear. Mr. Yost is on our team.

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MAYOR GOODMAN

No, I know that. Oh okay, but it was submitted to me by Mr. Yost –

ATTORNEY MARK FIORENTINO

Yes. Yes, it was.

MAYOR GOODMAN

– but it was written by Mr. Alterwitz.

ATTORNEY MARK FIORENTINO

That's correct.

SHAWN SAMSON

You will be pleased to know, Mr. Mayor, that we're good friends now with Melanie Walker, other businesses downtown, who are represented by Mr. Alterwitz.

MAYOR GOODMAN

Okay. Now, I've been advised by Mr. Fiorentino after talking with him yesterday afternoon and this morning, he told me that you will commence construction, under the Agreement, you have to commence it during the first quarter of next year. He tells me that you will commence construction in January of this coming year.

SHAWN SAMSON

It is our intention, Mr. Mayor, given the success of our leasing program and the overwhelming support of the industry to, in fact, commence construction Winter 2003 and the sooner we do it, the better for everyone. In fact, I'll also share this with you. My partner, Jack Kashani and I, last week were in London meeting with the Alliance family discussing Buildings No. 2 and No. 3,

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and we hope to be before you, before the year end, presenting plans for Phase 2 of this project, which we believe will compliment everything else that's going on downtown and will be a further sign of our support for downtown.

MAYOR GOODMAN

Okay. Well, as you know, everybody in this community knows that we took a real beating, as well we should have after the events of September 11th of last year, that it slowed down everything that we were trying to do. And we need this project. If you need the assistance of the City, I know that Mr. Wilkins in the Building Department and Mr. Genzer in the Planning Department will work very, very closely with you. We want to make sure that the aesthetic portion of this development is mind boggling and –

SHAWN SAMSON

This will be a stunning building, Mr. Mayor

MAYOR GOODMAN

We expect it to be. We expect this to be – a resounding success and we'll give you all the support you need as long as we're headed in that direction. I believe in it, okay, because I know that it's a wonderful project and when you have these kind of signed leases, I don't see how there's any room for failure. And all I could do is wish you well on behalf of my City Council and with that –

SHAWN SAMSON

Thank you. Mr. Mayor, if I just may take a moment and thank you and the rest of the City Council members for your vision and leadership. This truly shows not only your commitment to downtown, but it is a significant policy and economic milestone for the City and for us, it's a major leap forward. And I think this public/private partnership that our good counsel presented

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to you, will be successful and look forward to this team work together to make this a great success for both.

MAYOR GOODMAN

Okay, and if we could close our eyes today and look down the road about eight years, we'll see –

SHAWN SAMSON

We'll all be very proud.

MAYOR GOODMAN

– these big gleaming buildings. We'll see an Academic Medical Center and we'll see a Major League Sports team right in the same area down there. Okay? All right, with that, Councilman Weekly?

COUNCILMAN WEEKLY

Yes, Your Honor. Thank you very much. With all that that has been said, I just want to say to Mr. Samson, it's been a long time coming. I had an opportunity to meet you when I first came onto this Council. This project began before me and when I first came on, Mayor Goodman presented this project to me and introduced you and your partners to me and we discussed this vision. And right then and there, I knew that this was not going to be an easy project, simply because there were those out there who said to us, you're gonna be setting a precedent here with this deal that you all have put in together for this project. But I think as – we sat, we looked at your plans and we sat many hours with Mr. Fiorentino here with discussing how do we make this thing happen? I think that we are finally here.

One of the things that I wanna say, and I wanna say this with all due respect, especially to a lot of my seniors who watch KCLV, who were not able to make Council meetings. You know one of the things that really bother me sometimes is that people believe that sitting up here, you have to

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always raise a bunch of hell. I don't believe that. I believe that you can sit and you can listen and that you can do a lot of reading and you can make sure that as long as you're communicating with your staff to make sure that the right things are being done, that's all that really matters, and that you listen to what your constituents have to say.

When this was brought to my attention in reference to the Employment Plan, I commend the committee who got together and said, well, hold on here. There's an emplo, employment plan that needs to be addressed. And I think that the City, in my opinion, we were sleeping on the Employment Plan. We really hadn't been paying that much attention to it. But it goes to show that, when the community comes together and raises issues like that, that it's a win-win for everyone.

Mrs. (sic) Coder pointed out that we were able to satisfy Mr. Alterwitz's concerns. This was not about Bill Alterwitz. This was about a business owner who had a concern, as Mayor Goodman pointed out, his vested interest. But we received letters from Lawrence Furniture, Levitz Furniture, Chamber of Commerce and all other businesses. RC Willey, who also had a concern about this project, just so happened Bill Alterwitz was just one of the ones who was very vocal and he was very hesitant in the very beginning to get involved. Says no, Darrell, if you have a concern, man, put it in writing, come to the Council, get up to that microphone and say how you really feel about it.

Same thing, Mr. Washington said, hey man, there's an employment plan that the City of Las Vegas is not adhering to. Mr. Washington, I'm not really that up to par on the Employment Plan. Tell me about it. Let's talk about it. If it's a problem, let's fix it. And I think that all of you all got together. And, Mark, I commend you. I'm sorry, Mr. Fiorentino, I wanna commend you for taking the time out working with the organization, all of the people who came together to make sure that this Employment Plan was put in place and that the City of Las Vegas, our feet are being held to the fire, and that we do the right thing. Because I'm gonna to tell you something right now. One of the things, as I am fortunate enough to sit on this Council, I'm not gonna let nobody who don't live in my Ward, or who don't live in my neighborhood, come and tell me

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what's best for my neighborhood. West Las Vegas is very dear to my heart. I live there. I live in West Las Vegas. So when people come up to this microphone and talk about, Our Community, just because you're Black, doesn't mean that that's your community, especially when you don't live there and especially when you don't have the community's best interest at heart. I'm not gonna stand for that. But what I am gonna stand for, is that people who care about the vested interest of our entire neighborhood now.

One of the things that everybody needs to understand, when you hear rumors about Costco's leaving, when you hear rumors about some of those other furniture stores leaving that Martin Luther King corridor and lo and behold, with the issue that we have before us now with that Veteran's Administration Hospital possibly leaving our community, that whole corridor there is going to be total chaos. And so I think that where we are now with taking the time to address all of these issues that Mr. Washington and his group brought (sic) forward, I think that we now can move forward in a positive light that everyone can feel comfortable that we have something on the plate. That now the City of Las Vegas, Mayor, is gonna be held accountable for our shortcomings and that we are gonna do the right thing.

Another thing I had a concern about is that, just the veterans and just many people who live in West Las Vegas in this special impact district – not be misled, that this is gonna be some project that's gonna be built next year. That there are gonna be all these jobs that are gonna come about, especially when we look at this economy that we live in. There're a whole lot of people out there who are unemployed and looking for employment. I just, I am so glad that you set the record straight today and I hope that those who were not able to be here today or not able to watch the Council meeting right now, will watch the rebroadcast and understand that as long as I'm sitting here and these other folks here who, I can tell you that, I can knock on wood and – not lie to you at all and say, I've gone to each one of these folks on this Council, whether it's Mayor Goodman, who I'm working with in this downtown vision or Michael McDonald, who we spent countless hours with dealing with that 1501 Decatur issue, or Councilwoman Lynette Boggs-McDonald, where we – worked on that – which they worked very hard on that Catholic Church that we have

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in the neighborhood and that Agassi School, or Mack and Brown, that I've gone to about a couple of new parks that I have in my district, or even Reese, where we are dealing with East Las Vegas.

This is a very, this – can be a very tough job sometime and Ward 5 is a real unique ward. We have lots of issues going on and we have a lot of things, issues that need to be addressed, but this particular issue here as it relates to this World Furniture Mart, Mr. Samson, I want to tell you that, it's a very important project. I think that it's gonna be something very beneficial to this community. It is my hope and my prayer that the developers that come on board do the right thing, that you all agreed to, that you said that you're gonna do, that you do the right thing and understand that this project can either make or break, not only downtown but these special impact districts that surround it.

So I commend you today and I thank you very much for your patience. To your partners and your entire staff, I hope that it all works out and we're talking eight to ten years from now. Lord knows where any of us will be. We just hope that as we drive the Spaghetti Bowl and I-15, that this be a good project that we can look over and say, hey, I was a proud, I was a part of that and I'm very proud to have been a part of that.

And so with that, I support this **motion today to move forward and I'd also like to incorporate, as our City Attorney pointed out, all the previous records and documents to be included in this motion today.** And to Assemblyman Wendell Williams and Brad Jerbic, from our staff and Lesa Coder and your staff, thank you all very much for making this possible. Thank you.

SHAWN SAMSON

Thank you.

MAYOR GOODMAN

All right. Vote on the motion, please. Post, please.

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UNIDENTIFIED FEMALE

(Inaudible)

MAYOR GOODMAN

Motion carries. (Motion carried unanimously.)

SHAWN SAMSON

Thank you very much, Mr. Mayor and Councilman.

MAYOR GOODMAN

Good luck.

ATTORNEY MARK FIORENTINO

Thank you.

COUNCILMAN REESE

If I could, I'd just like to ask, Mr. Fiorentino, what is your tie there represent?

ATTORNEY MARK FIORENTINO

This is a picture – of my daughter, Ellie. My tie.

COUNCILMAN REESE

And when – did you have that blessed event?

ATTORNEY MARK FIORENTINO

When was she born?

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COUNCILMAN REESE

Yes.

ATTORNEY MARK FIORENTINO

She's about six months old now.

COUNCILMAN REESE

Thank you for letting me know.

ATTORNEY MARK FIORENTINO

Thank you.

COUNCILMAN REESE

Congratulations.

(END OF DISCUSSION)

/da;vwd