

**SOUTHERN NEVADA TOURISM INFRASTRUCTURE
COMMITTEE MEETING
July 11, 2016**

The meeting of the Southern Nevada Tourism Infrastructure Committee was called to order by Chairman Hill at 8:07 a.m. in the Stan Fulton Building located at the University of Nevada, Las Vegas.

1. ROLL CALL/CALL TO ORDER/ESTABLISH QUOROM

BOARD MEMBERS PRESENT

Mr. Steve Hill, Committee Chairman
Mr. Len Jessup, Committee Vice Chairman
Ms. Carolyn Goodman, Mayor of City of Las Vegas
Mr. Steve Sisolak, Chairman of the Clark County Commission
Ms. Kristin McMillan, President and CEO of the Las Vegas Metro Chamber of Commerce
Mr. Tom Jenkin, Global President of Caesars Entertainment
Mr. Bill Noonan, Senior Vice President of Boyd Gaming
Mr. William Hornbuckle, President of MGM Resorts International
Ms. Kim Sinatra, Executive Vice President of Wynn Resorts
Mr. George Markantonis, President and COO of The Venetian and The Palazzo
Mr. Mike Sloan, Senior Vice President of Station Casinos

ADVISORY COMMITTEE MEMBERS PRESENT

Ms. Elizabeth Fretwell, City Manager of the City of Las Vegas
Mr. Don Burnette, County Manager of Clark County
Ms. Tina Quigley, General Manager of Regional Transportation Commission of Southern Nevada
Ms. Rosemary Vassiliadis, Director of Clark County Department of Aviation
Mr. Rossi Ralenkotter, President and CEO of Las Vegas Convention and Visitors Authority
Mr. Guy Hobbs, Managing Director of Hobbs, Ong & Associates

STAFF MEMBERS PRESENT

Ms. Jennifer Cooper, Communications Director for the Governor's Office of Economic Development
Ms. Melanie Sheldon, Executive Assistant and Business Development Specialist for the Governor's Office of Economic Development
Ms. Henna Rasul, Senior Deputy Attorney General for the Nevada Office of the Attorney General

2. PUBLIC COMMENT: 8:08 A.M.

Ms. Katherine Duncan, local Chairwoman of the Universal Peace Federation, asks the committee to support and provide necessary resources to Mayor Goodman for the city's peace-keeping initiatives.

Mr. Stanley Washington states everyone should be cognizant of the situation in Texas, and that economic disparities in African American communities are the source of many problems. He says veterans should be used to support a project to help the community.

Mr. Steve Seroka, a United States Air Force veteran, proposes more veterans be involved with construction projects such as the ones currently proposed.

Mr. Hollis Barnhart of Stadium 2020, proposes a 68,000 retractable roof stadium downtown that is entirely privately funded.

Mr. James Nagourney states that the current stadium proposal contains lies and inaccuracies regarding the projections resulting from the stadium being constructed.

Chairman Hill closes Agenda Item 2.

3. ACCEPTANCE OF MINUTES FROM JUNE 23, 2016: 8:23 A.M.

Chairman Hill opens Agenda Item 3 for a motion to accept the meeting minutes from June. A motion is made by Mayor Goodman for the acceptance of the minutes. Mr. Sloan seconds the motion. The June meeting minutes pass unanimously.

Chairman Hill closes Agenda Item 3.

4. CHAIRMAN/COMMITTEE COMMENTS: 8:24 A.M.

Chairman Hill states there is information located in the committee's binders in regards to veteran resources and programs. He also states that he has included the executive order issued by the governor.

Chairman Hill closes Agenda Item 4.

5. RESEARCH STAFF REPORT: 8:25 A.M.

Mr. Jeremy Aguero, Principal of Applied Analysis, reviews the materials located in each committee member's binder and states that the website is completely up to date.

Chairman Hill closes Agenda Item 5.

6. COMMITTEE RECOMMENDATIONS

a. Convention Center Legislative Recommendation: 8:28 A.M.

Mr. Aguero states there are two tabs for the two versions of the Convention Center Expansion and Renovation Legislative Recommendation in each committee member's binder. Mr. Aguero reviews the changes made to the original document.

Commissioner Sisolak brings up the collection fees in Section 4 and the cap of \$25 million per fiscal year. He asks the current amount of this collection allowance. Mr. Aguero says it is just under \$25 million. Commissioner Sisolak asks if the allocation of the funds will change. Mr. Aguero states that percentages are allocated to each jurisdiction and that this process will not change. What will change is the amount of revenue generated, but the percentage of allocation will not. Commissioner Sisolak asks if cities outside of Las Vegas are aware of the proposals. Mr. Aguero says that they are.

Ms. Sinatra asks about the limits of the oversight committee. Mr. Aguero says restrictions are set forth in Subsection 6 and reviews each of these restrictions. Mr. Aguero clarifies that the oversight committee cannot go beyond the purview set forth in the act.

Mr. Jenkin asks about the requirements of the oversight panel to explain its reasons for rejecting a recommendation and to offer a viable alternative. Mr. Aguero says that there is currently nothing in the language that requires this. Mr. Jenkin states that something should be incorporated that solves this deficiency.

Mr. Noonan asks about the cap on the room tax for local governments and what would happen if there were another room tax increase. Mr. Aguero states that future increases may not be subject to the collection allowance, though there are multiple alternatives.

Commissioner Sisolak asks about Section 5 and the designation of a supermajority being 67 percent. A supermajority is defined as being two-thirds. He explains that if in the event a member of the seven-person board is absent, then a vote of four to six, which is two-thirds, would pass. Mr. Aguero states that the LVCVA board is made up of 14 members. Commissioner Sisolak states that resolves his concern.

Chairman Hill notes that the only difference between option A and option B of the legislative language is what the impact of the LVCVA board overriding a recommendation by the oversight panel causes. In option A, it would cause a notification to the legislature and the governor of that action. In option B, a notification does not need to be sent. With respect to the collection allowance, there is a method for the allocation of that allowance. This legislative recommendation does not change that method, it just caps it. The collection allowance only applies to the room tax directed to the fair and recreation board or the LVCVA; the rest of the room tax does not have a collection allowance associated with it.

Mayor Goodman moves to amend option B on Section 5, Subsections 2 and 3, to replace the word "governor" with "the LVCVA board." This takes government out of the process. The motion fails due to lack of a second.

MS. SINATRA MOVES TO APPROVE OPTION B. MR. HORNBUCKLE SECONDS THE MOTION. THE MOTION PASSES UNANIMOUSLY.

Chairman Hill closes Agenda Item 6a.

7. COMMITTEE WORKSHOP: 9:31 A.M

Mr. Bill Rhoda, President of CSL, states that since the last meeting the focus has been on addressing some of the questions the committee had during the last presentation, which focused on the stadium program, site characteristics and how those characteristics impact the cost of the stadium.

The proposed stadium would occupy approximately 14 acres of land, with a 10-acre plaza surrounding the facility. On-site parking for the team and administration will require about 20 acres. The optimal site configuration for this facility would be anywhere from 50 to 64 acres.

Mr. Rhoda then reviews the adjusted costs for building a stadium in Las Vegas. The hard construction cost to build a domed stadium is \$1.1 billion. To upgrade to a retractable roof adds \$50 million. In total, the potential development cost for the stadium is estimated at \$1.7 billion to \$2.1 billion. Assuming the \$750 million public contribution, the public share of total cost ranges from 44 percent to 35 percent, respectively.

Mr. Rhoda displays a map with the nine potential Las Vegas stadium locations labeled south to north: (1) Russell Road, (2) UNLV Thomas and Mack Center, (3) UNLV Tropicana, (4) Fertitta, (5) Wynn Golf Course, (6) Riviera/LVCVA, (7) Old Wet-N-Wild, (8) MGM Rock in Rio site and (9) the City of Las Vegas – Cashman. Mr. Rhoda states the goal is to whittle the sites down using the site evaluation matrix. The site criteria being focused on include ownership, site capacity, land costs, access and egress, parking availability, game day atmosphere and ability of maximize revenues.

Mr. Noonan asks if the developers have talked to airport officials regarding the UNLV Thomas and Mack site. Mr. Craig Cavileer, Executive Vice President of Majestic Realty, states those discussions have not yet taken place. Commissioner Sisolak believes that there is a height restriction on that land that is 100 feet. Gerry Bomotti, Senior Vice President for Finance and Business at UNLV, states that Commissioner Sisolak is right about there being restrictions in that area that would need to be analyzed. However, these restrictions were based on an agreement with the county and are not FAA restrictions. Ms. Vassiliadis confirms that the interlocal contract restricts height to 100 feet in that area.

Mr. Hornbuckle points out that the Riviera/LVCVA site should be removed from list of potential properties since an agreement was just made on the Las Vegas Convention Center expansion, which will be located on that land.

Ms. Vassiliadis states there is a restriction on flight paths over large congregations of 33,000 or more people, and any restrictions affect airport capacity.

Chairman Hill says that the governor is willing to extend the committee for 60 days for additional discussion on the issues. Mr. Robert Goldstein, President and Chief Operating Officer for the Las Vegas Sands, says the move forward needs to be quicker than that. Mr. Marc Badain, President of Oakland Raiders, reiterates the Raiders' commitment to the project, but says that there needs to be urgency because of the relocation vote in January.

Mayor Goodman asks if there have been any conversations about specific sites or if these are just ideas. Mr. Badain says that they have asked all potential properties to come forth with their proposals and intentions, and that by the end of July there should be a better understanding of the airport issues and the approximate costs of land acquisition for each of the sites.

Commissioner Sisolak states that the airport options should be ruled out due to the restrictions in place, but that location of the stadium will be a large consideration for non-football-related events. Mr. Goldstein agrees and says closer to the Strip will be much more valuable due to accessibility as well as exposure.

Commissioner Sisolak asks Curtis Miles from Las Vegas Monorail how many people took the monorail to Rock in Rio. Mr. Miles states it carried 28 percent of the total attendees. Commissioner Sisolak states that parking and traffic issues could be alleviated by the monorail.

Mr. Hornbuckle asks if there is a simple matrix that could be created that will explain the compatibility of each site in regards to certain factors regarding air flight interferences. Ms. Vassiliadis says that this is not possible given the variety of issues each stadium could have.

Chairman Hill states that the committee does not have the authority to take on the funding project for more police on the Las Vegas Strip and he will talk to the governor's office about this. Commissioner Sisolak disagrees and restates that the sheriff needs to be given the resources he needs to protect public safety. Sheriff Joseph Lombardo states that these proposed projects to bolster the economy are pointless if public safety is not taken care of sufficiently. He states there should be a united voice to the governor as opposed to just the voice of Chairman Hill. Chairman Hill says he will pursue an answer as to whether the current committee is appropriate to contemplate the public safety issue. Mr. Sloan asks for it to be proposed that the governor expand the executive order to include the public safety issue.

Chairman Hill closes Agenda Item 7.

8. JULY 28TH MEETING PREVIEW: 10:37 A.M.

There are no needed comments for the next meeting.

Chairman Hill closes Agenda Item 8.

9. COMMITTEE MEMBER COMMENTS: 10:37 A.M.

Mayor Goodman asks if the July 28th meeting date is too soon. Chairman Hill says that he does not think it is and progress needs to be made.

Chairman Hill closes Agenda item 9.

10. PUBLIC COMMENT: 10:38 A.M.

Mr. Stanley Johnson says the proposal for the stadium at Cashman with no public funding is an interesting proposal and should be investigated.

Mr. Mathew with Laborers 872 says that this is very important to bring the Las Vegas economy back to pre-recession levels.

Mr. Ed Uehling states there is a lack of confidence with public officials and that police set the standard for violence in the United States.

There are no more public comments. Chairman Hill closes Agenda Item 10.

11. ADJOURNMENT: 10:44 A.M.

CHAIRMAN HILL OPENS AGENDA ITEM 11 FOR POSSIBLE ACTION. COMMISSIONER SISOLAK MAKES THE MOTION TO ADJOURN THE COMMITTEE MEETING. MR. NOONAN SECONDS THE MOTION. THE MOTION PASSES UNANIMOUSLY.