

Clark County Stadium Authority Board

CLARK COUNTY, NEVADA

DRAFT

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TOMMY WHITE

COMMISSION CHAMBERS
GOVERNMENT CENTER
LAS VEGAS, CLARK COUNTY, NEVADA
THURSDAY, MARCH 22, 2018

The Clark County Stadium Authority Board met in regular session in full conformity with law and bylaws of said Board at the regular place of meeting in the Commission Chambers, Government Center, Las Vegas, Clark County, Nevada on Thursday, the 22nd day of March, 2018 at the hour of 9:00 a.m. The meeting was called to order at the appointed hour by Chairman Hill and on roll call, the following members were present, constituting a quorum of the members thereof:

Chairman and Members:

Steve Hill
Ken Evans
Dallas Haun
Bill Hornbuckle
Mike Newcomb
J. Tito Tiberti
Tommy White

Absent:

Lawrence Epstein
Jan Jones Blackhurst

Also present:

Laura Fitzpatrick (Ex-Officio Member)
Mary-Anne Miller, Deputy District Attorney
Beth Koch, Deputy Clerk
Keri Miller, Deputy Clerk

Members Haun, Hornbuckle, and Member Tiberti joined the meeting via teleconference.

ITEM NO. 1 Call to Order, Roll Call and Establish Quorum

DISCUSSION: At this time, Chairman Hill called the roll and confirmed that a quorum was present.

Chairman Hill closed Agenda Item No. 1.

ITEM NO. 2 Public Comment

At this time, Chairman Hill asked if there were any persons present in the audience wishing to be heard on any items on the agenda as posted.

SPEAKER(S): Present

The Board was addressed by Adam Plant, a former football player, who read a letter written by Jack Trice, the second African-American competing in collegiate football at a major university.

An interested party advised the Board of concerns regarding CTE (Chronic Traumatic Encephalopathy); adding that studies are needed; football has brought together our country through teamwork; and the Raiders have an opportunity to do something positive.

Oleta Dupree spoke in support of the stadium.

There being no other persons present in the audience wishing to be heard on any items listed on the agenda as posted, Chairman Hill closed the public comments.

The Board took a short recess due to technical difficulties.

ITEM NO. 3 Approval of Agenda with the Inclusion of Any Emergency Items and Deletion of Any Items (for possible action)

FINAL ACTION: It was moved by Member Tommy White, seconded by Member Ken Evans, and carried by unanimous vote of the members present that the agenda be approved.

Chairman Hill closed Agenda Item No. 3.

ITEM NO. 4 Chairman/Board Member Comments

DISCUSSION: Member Ken Evans advised of a meeting with the Oversight Committee to discuss future endeavors; spoke with a representative of Mortenson and McCarthy Joint Venture; and anticipated the completion of a meeting calendar in the near future.

Chairman Hill closed Agenda Item No. 4.

ITEM NO. 5 Approval of Minutes of the Las Vegas Stadium Authority Board Meeting on February 15, 2018 (for possible action)

FINAL ACTION: It was moved by Member Tommy White, seconded by Member Ken Evans, and carried by unanimous vote of the members present that the minutes be approved.

Chairman Hill closed Agenda Item No. 5.

ITEM NO. 6 Receive a Status Update from Staff on Administrative Items Relating to the Operation of the Stadium Authority

DISCUSSION: A representative of Applied Analysis advised that the Board will perform a review of documents for submittal to the NFL (National Football League); discussed various topics including the room tax revenue collection which was \$4.7 million for the month of January, approximately four percent above projections; an additional \$60,000 from Henderson and North Las Vegas will be received; the total revenue of \$28.1 million for the fiscal year exceeds the total amount anticipated; a firm has been engaged to perform the fiscal audit required by the County and State of Nevada; and the Board is required to hold a budget meeting during the month of May.

Member Hill commented that the revenue projections were made more than a year ago; the current numbers were based on the original projections; and the room tax may be tracked using a variety of methods. The representative of Applied Analysis stated that the room tax statistics determined by the Clark County Stadium Authority Board are unique to the needs of the Board.

Chairman Hill closed agenda Item No. 6.

ITEM NO. 7 Receive a Status Report from The Oakland Raiders on the NFL Stadium Project

DISCUSSION: There being no objections, Item No. 7 was heard in conjunction with Item No. 8.

The Board received a report from representatives of the Raiders regarding topics which included excavation; local and season ticket holder sales; the stadium design; and some major features of the stadium.

The representatives from the Raiders also discussed the design build agreement.

Member Hill commented on parking; the practice facility; the team headquarters, costs, non-NFL events held in the stadium; and tradeoffs with sightlines which may occur due to the roll off field and the four foot differential; hanging items from the roof during events; heating; and trash and odor control.

In response to Member Hill's concerns, representatives from the Raiders advised of the various ways that the stadium would be designed to accommodate a large variety of events.

Chairman Hill closed Agenda Item No. 7.

ITEM NO. 8 Receive a Presentation from The Oakland Raiders on the NFL Stadium Design, Guaranteed Maximum Price Design-Build Agreement, Guaranteed Maximum Price Amendment, and Stadium Project Budget

DISCUSSION: There being no objections, Item No. 8 was heard in conjunction with Item No. 7.

See Item No. 7 for discussion.

Chairman Hill closed Agenda Item No. 8.

ITEM NO. 9 Review and Potentially Approve in Form the Finding that the National Football League has Authorized The Oakland Raiders to Relocate Within the Stadium District, as Required by Section 29.1(a) of Senate Bill 1 of the 30th Special Session of the Nevada State Legislature. (For possible action)

DISCUSSION: Following the introduction of Item No. 9, a representative from Applied Analysis advised that some changes were made to the documents previously provided.

Legal Counsel advised two supporting documents will be submitted within the next week; and more information will be available at the March 28, 2018 meeting.

FINAL ACTION: It was moved by Member Tommy White, seconded by Member Ken Evans, and carried by unanimous

vote of the members present.

Chairman Hill closed Agenda Item No. 9.

ITEM NO. 10 Review and Potentially Approve in Form the Finding that the Oakland Raiders have Committed to Relocate Within the Stadium District, as Required by Section 29.1(b) of Senate Bill 1 of the 30th Special Session of the Nevada State Legislature. (For possible action)

DISCUSSION: Subsequent to the introduction, Legal Counsel indicated that the certificate is not yet signed; the form is agreed upon; and the signatures should be completed within a week.

FINAL ACTION: It was moved by Member Tommy White, seconded by Member Ken Evans, and carried by unanimous vote of the members present that the recommendation be approved.

Chairman Hill closed Agenda Item No. 10.

ITEM NO. 11 Review and Potentially Approve in Form the Finding that the Developer Partner has Disclosed to the Stadium Authority Board as a Matter of Public Record the Identity of the Person or Persons Who Comprise the Developer Partner, as Required by Section 29.1(c)(1) of Senate Bill 1 of the 30th Special Session of the Nevada State Legislature; that the Person or Persons Selected to be a Developer Partner have an Affiliation with The Oakland Raiders, as Required by Section 29.1(c)(2) of Senate Bill 1 of the 30th Special Session of the Nevada State Legislature; and the Developer Partner has Selected a Stadium Events Company Which has Disclosed to the Stadium Authority Board the Identity of Each of its Owners and Managers, as Required by Section 29.1(d) of Senate Bill 1 of the 30th Special Session of the Nevada State Legislature. (For possible action)

DISCUSSION: The Board was advised by Legal Counsel that Item No. 11 encompasses three findings as follows: who comprises the development partner; who has been selected as the stadium events company; and if the parties mentioned above have any affiliation with the Raiders. The certificate attached to each item is the same; however, the Raiders indicated that an internal restructuring will take place so the certificates were revised to reflect the changes.

FINAL ACTION: It was moved by Member Tommy White, seconded by Member Ken Evans, and carried by unanimous

vote of the members present that the recommendation be approved.

Chairman Hill closed Agenda Item No. 11.

ITEM NO. 12 Review and Potentially Approve in Form the Finding that the Developer Partner has Demonstrated to the Satisfaction of the Stadium Authority Board that the Developer Partner is Able to Successfully Develop and Construct the National Football League Stadium Project, as Required by Section 29.1(c)(3) of Senate Bill 1 of the 30th Special Session of the Nevada State Legislature. (For possible action)

DISCUSSION: Legal Counsel advised that the GMP (Guaranteed Maximum Price) Agreement will be attached as an exhibit; and a parent guarantee from the parent companies of the contractors will be obtained instead of a bond to secure the contractor's obligations.

FINAL ACTION: It was moved by Member Tommy White, seconded by Member Ken Evans, and carried by unanimous vote of the members present that the recommendation be approved.

Chairman Hill closed Agenda Item No. 12.

ITEM NO. 13 Review and Potentially Approve in Form the Finding that the Developer Partner has Provided to the Stadium Authority Board Adequate Financial Security for the Performance of the Financial Obligations of a Developer Partner for the Development and Construction of the National Football League Stadium Project, as Required by Section 29.1(c)(4) of Senate Bill 1 of the 30th Special Session of the Nevada State Legislature. (For possible action)

DISCUSSION: The Board was addressed by Legal Counsel who advised that the item has been modified to suggest that there will be two items of evidence (exhibits) instead of one; and the item is evidence of financial security for the performance of the financial obligations of the developer.

FINAL ACTION: It was moved by Member Tommy White, seconded by Member Ken Evans, and carried by unanimous vote of the members present that the recommendation be approved.

Chairman Hill closed Agenda Item No. 13.

ITEM NO. 14 Review and Potentially Approve in Form the Stadium Lease

Agreement Between the Clark County Stadium Authority and LV Stadium Events Company, LLC (For possible action)

DISCUSSION: Member Hill commented on the addition of the authority suite to the lease agreement; and that the intent is that the suite is available to entities across Southern Nevada for events including community and economic development and public relations.

Legal Counsel discussed use and amenities of the authority suite and termination of the lease agreement.

Upon questioning by Member Evans, Legal Counsel stated that the general purpose of HoldCo is for remoteness, so the liabilities of one company will not incur debt in the other companies.

FINAL ACTION: It was moved by Member Tommy White, seconded by Member Ken Evans, and carried by unanimous vote of the members present that the recommendation be approved.

Chairman Hill closed Agenda Item No. 14.

ITEM NO. 15

Review and Potentially Approve in Form the Stadium Development Agreement Between the Clark County Stadium Authority and LV Stadium Events Company, LLC (For possible action)

DISCUSSION: Legal Counsel provided an overview of the matter including the updated development agreement, bonding, and Unwind Provision.

Following Member Hill's request for clarification, a representative from Legal Counsel explained that if the Unwind Provision is enacted, no public money is funding the stadium and all parties have the right to back out of the project, and the Raiders have the option to continue to build the stadium on a private finance basis.

Discussion continued including the County's rights which will not be changed without the County's consent; updated definitions for the Development Agreement; the definition of infrastructure improvements; the definition of the project team (which includes the design builder, architects, and owners representative); the legal description of the land; and the amount of money the Raiders spent above the \$100 million so the County can begin funding proportionally.

FINAL ACTION: It was moved by Member Tommy White, seconded by Member Ken Evans, and carried by unanimous vote of the members present that the recommendation be approved.

Chairman Hill closed Agenda Item No. 15.

ITEM NO. 16 Review and Potentially Approve in Form the Construction Funds Trust Agreement Between the Clark County Stadium Authority, LV Stadium Events Company, LLC, Jones Lang Lasalle Americas, Inc. and U.S. Bank National Association (For possible action)

DISCUSSION: Legal Counsel discussed the Construction Funds Trust Agreement and compliance with the bond ordinance and flow of funds.

FINAL ACTION: It was moved by Member Tommy White, seconded by Member Ken Evans, and carried by unanimous vote of the members present that the recommendation be approved.

Chairman Hill closed Agenda Item No. 16.

ITEM NO. 17 Review and Potentially Approve in Form the Disbursing Agreement Between the Clark County Stadium Authority, LV Stadium Events Company LLC, and Fidelity National Title (For possible action)

DISCUSSION: Legal Counsel commented on the disbursement process, including collection and depositing of County bond proceeds.

FINAL ACTION: It was moved by Member Tommy White, seconded by Member Ken Evans, and carried by unanimous vote of the members present that the recommendation be approved.

Chairman Hill closed Agenda Item No. 17.

ITEM NO. 18 Receive an Update on Stadium Land Transfer Due Diligence and Review and Potentially Approve in Form the Stadium Land Dedication Agreement Between the Clark County Stadium Authority and LV Stadium Events Company, LLC (For possible action)

DISCUSSION: Legal Counsel provided an update on the land transfer referencing the timeline requiring that the land transfer must take place within ten days of the document signing.

FINAL ACTION: It was moved by Member Tommy White, seconded by Member Ken Evans, and carried by unanimous vote of the members present that the recommendation be approved.

Chairman Hill closed Agenda Item No. 18.

ITEM NO. 19 Review and Potentially Approve in Form the Personal Seat License Marketing and Sales Agreement Between the Clark County Stadium Authority and Raiders Football Club, LLC (For possible action)

DISCUSSION: Legal Counsel commented on the personal seat licenses, adding that the Stadium Authority will need to be added as an additional insured.

FINAL ACTION: It was moved by Member Tommy White, seconded by Member Ken Evans, and carried by unanimous vote of the members present that the recommendation be approved.

Chairman Hill closed Agenda Item No. 19.

ITEM NO. 20 Review and Potentially Approve in Form the Estoppel and Recognition Agreement Between the Clark County Stadium Authority, Financing Trust I, and Bank of America, N.A. (For possible action)

DISCUSSION: The Board received a Legal Counsel report regarding the \$850 million bank loan and recognized the bank as a secured party with the right to foreclose and replace StadCo to complete the stadium.

FINAL ACTION: It was moved by Member Tommy White, seconded by Member Ken Evans, and carried by unanimous vote of the members present that the recommendation be approved.

Chairman Hill closed Agenda Item No. 20.

ITEM NO. 21 Review and Potentially Approve in Form the Estoppel and Recognition Agreement (Subordinated) Between the Clark County Stadium Authority, Financing Trust I, and Bank of America, N.A. (For possible action)

DISCUSSION: Legal Counsel provided an overview on the matter including the apostille certificate; adding that the bank loan is secured by a deed of trust.

FINAL ACTION: It was moved by Member Tommy White, seconded by Member Ken Evans, and carried by unanimous vote of the members present that the recommendation be approved.

Chairman Hill closed Agenda Item No. 21.

ITEM NO. 22 Review and Potentially Approve in Form the Calculation Agency Agreement Between Financing Trust I, the Clark County Stadium Authority, and Raiders Football Club, LLC (For possible action)

DISCUSSION: Legal Counsel advised that no changes were made to the document, and the Raiders Football Club was hired to be the calculation agent to confirm all of the formulas, equations, and calculations.

FINAL ACTION: It was moved by Member Tommy White, seconded by Member Ken Evans, and carried by unanimous vote of the members present that the recommendation be approved.

Chairman Hill closed Agenda Item No. 22.

ITEM NO. 23 Review and Potentially Approve in Form a Resolution by the Clark County Stadium Authority Finding that: (1) the Stadium Authority has Entered into a Development Agreement and a Lease Agreement Pursuant to Subsections 2 and 3 of Section 29 of Senate Bill 1 of the 30th Special Session of the Nevada State Legislature; (2) the Proceeds of the Lodging Tax Imposed Pursuant to Subsection 1 of Section 33 of Senate Bill 1 of the 30th Special Session of the Nevada State Legislature, that Will be Pledged to the Payment of General Obligations to be Issued by Clark County will Generate Sufficient Revenue to Meet or Exceed the Debt Service Coverage Ratio of 1.5 Times the Anticipated Annual Debt Service for Each Year of the Term of the Obligations as Required by Subsection 1(b) of Section 36 of Senate Bill 1 of the 30th Special Session of the Nevada State Legislature; (3) the Stadium Authority Has Been Provided a Guaranteed Maximum Price Design-Build Agreement between the LV Stadium Events Company, LLC and Mortenson-McCarthy Las Vegas Stadium, Which Provides for a Contingency of 7.5 percent of the Estimated Hard Costs of the Stadium Project as Required by Subsection 1(c) of Section 36 of Senate Bill 1 of the 30th Special Session of the Nevada State Legislature; (4) the Prime Contractor for the Construction of the Stadium Project has provided to the Authority Adequate Security to Guarantee Timely Performance

of the Construction of the Stadium Project and Liquidated Damages Related Thereto Subsection 1(d) of Section 36 of Senate Bill 1 of the 30th Special Session of the Nevada State Legislature; (5) LV Stadium Events Company, LLC has Provided a Financing Commitment that the Board of Directors Finds is Sufficient to Pay the Portion of the Estimated Cost of the Stadium Project to be Paid from Sources Other Than Those Sourced to the Stadium Authority Lodging Tax Pursuant to Subsection 1(e) of Section 36 of Senate Bill 1 of the 30th Special Session of the Nevada State Legislature; (6) LV Stadium Events Company, LLC has Entered Into All Necessary Development Agreements Required by State or Local Governments Relative to Provide Adequate Offsite Infrastructure Improvements for the Stadium Project; and (7) that Stadium Authority and LV Stadium Events Company, LLC have Agreed on an Estimate of the Total Cost of the Stadium Project Pursuant to Subsection 1(g) of Section 36 of Senate Bill 1 of the 30th Special Session of the Nevada State Legislature; and, Having Made Such Findings Requesting that the Clark County Board of County Commissioners Issue General Obligation Bonds of the County Pursuant to Subsection 2 of Section 36 Senate Bill 1 of the 30th Special Session of the Nevada State Legislature (For possible action)

DISCUSSION: A representative from Applied Analysis introduced the matter which included that the Clark County Stadium Authority will ask Clark County to issue stadium bonds; the proceeds generated by the room tax will generate enough anticipated revenue to cover the debt obligations; the projected revenue for 2018 is \$49.9 million; and the anticipated percentage variation in room tax has an achievable rate of growth.

Discussion followed regarding the bonds; meeting obligations; and the interest rate.

The representative from Applied Analysis reviewed the remainder of the item including the contingency of the hard costs; the construction parents guarantee; anticipated letters were received and will be included as exhibits when finalized; and an added requirement that staff deliver the resolution to the County when finished.

FINAL ACTION: It was moved by Member Tommy White, seconded by Member Ken Evans, and carried by unanimous vote of the members present that the recommendation be approved.

Chairman Hill closed Agenda Item No. 23.

- ITEM NO. 24 Review and Discussion of the Assignment and Assumption of Leases between the Clark County Stadium Authority and LV Stadium Events Company, LLC

DISCUSSION: Legal Counsel introduced the matter which was a new document regarding the assignment and assumption of the billboard leases on the stadium site which will be assigned to the Clark County Stadium Authority in name only.

Chairman Hill closed Agenda Item No. 24.

- ITEM NO. 25 Review and Discussion of the Construction Monitor Use and Reliance Agreement between Jones Lang LaSalle Americas, Inc., the Clark County Stadium Authority, and LV StadiumEvents Company, LLC

DISCUSSION: Legal Counsel noted that the construction monitor was hired by the lender; and discussed an engagement letter; fees paid by StadCo; and the construction monitor will provide the report that the first \$100 million was spent by StadCo.

Chairman Hill closed Agenda Item No. 25.

- ITEM NO. 26 Review and Discussion of the Estoppel and Recognition Agreement for the G-4 Leasehold Deed of Trust Entered into by the Clark County Stadium Authority for the Benefit of NFL Ventures, L.P.

DISCUSSION: The apostille and recognition agreement was presented by Legal Counsel noting that part of the financing is the \$200 million loan from the National Football League (NFL) through the G4 Program; the NFL will file a lease hold deed of trust to secure payback of the loan encumbering StadCo's lease hold interest in the property; and representation and warranties made by the Clark County Stadium Authority to the NFL.

Chairman Hill closed Agenda Item No. 26.

- ITEM NO. 27 Review and Discussion of the Memorandum of Stadium Lease Agreement between the Clark County Stadium Authority and LV Stadium Events Company, LLC

DISCUSSION: Legal Counsel advised that StadCo is the tenant under the 30 year lease; the lease will be filed in Real Property; and once filed, the document puts all parties on notice that a lease is in place.

Chairman Hill closed Agenda Item No. 27.

ITEM NO. 28 Review and Discussion of the Memorandum of Team Use Agreement between the Clark County Stadium Authority and LV Stadium Events Company, LLC

DISCUSSION: The matter was summarized by Legal Counsel who noted that the Clark County Stadium Authority owns the land, is leasing to StadCo, and in turn StadCo leases to the team entity; and the memorandum is required by the NFL.

Chairman Hill closed Agenda Item No. 28.

ITEM NO. 29 Review and Discussion of the State of Nevada Declaration of Value to be Executed by LV Stadium Events Company, LLC (as Grantor) and the Clark County Stadium Authority (as Grantee)

DISCUSSION: Legal Counsel stated that as part of the dedication StadCo will be provided a deed to be signed by StadCo and the Clark County Stadium Authority; a State of Nevada Declaration of Value Form is required; the transfer is exempt from transfer tax because of involvement of a government entity; and the County stated that any future off-site improvement agreements that StadCo requires are not binding on the Stadium Authority.

Chairman Hill closed Agenda Item No. 29.

ITEM NO. 30 Public Comment

At this time, Chairman Hill asked if there were any persons present in the audience wishing to be heard on any items not listed on the posted agenda.

SPEAKER(S): None

There being no persons present in the audience wishing to be heard on any items listed on the agenda as posted, Chairman Hill closed public comments.

Chairman Hill closed Agenda Item No. 30.

ITEM NO. 31 Adjournment (For possible action)

The meeting was adjourned at the hour of 11:48 a.m.