SOUTHERN NEVADA
Tourism Infrastructure Committee

MEETING AGENDA

January 28, 2016
9:00 a.m.

<u>Main Location:</u>
UNLV Foundations Building
Blasco Event Wing
4505 S. Maryland Pkwy.
Las Vegas, NV 89154

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1. **Call to Order, Roll Call and Establish Quorum**
2. **Public Comment**
3. **Acceptance of Minutes from December 3, 2015** — **For Possible Action**
4. **Chairman/Committee Comments**
5. **Research Staff Report**
6. **Presentations**
   a. Southern Nevada Transportation
      - Tina Quigley, Regional Transportation Commission of Southern Nevada
      - Jorge Cervantes, City of Las Vegas Transportation Department
      - Betsy Fretwell, City of Las Vegas
      - Don Burnette, Clark County Transportation Department
      - Rudy Malfabon, Nevada Department of Transportation
      - Tracy Larkin, Nevada Department of Transportation
      - Curtis Myles, Las Vegas Monorail Corporation
      - Andrew Mack, XpressWest

   b. Out-of-State Transportation
      - Phil Brown, Greater Orlando Aviation Authority
      - Steve Heminger, San Francisco Metropolitan Transportation Commission
      - Marla Lien, Denver Regional Transportation District
      - Paul Jablonski, San Diego Metropolitan Transit System
      - Mike Allegra, Utah Transit Authority

   c. Revenue and Funding Overview
      - Guy Hobbs, Hobbs, Ong & Associates

7. February Meeting Preview

8. Committee Member Comments

9. Public Comment

For Possible Action **10. Adjournment**

NOTE (1) THIS AGENDA HAS BEEN POSTED NO LATER THAN THREE WORKING DAYS PRIOR TO THE MEETING AT THE FOLLOWING LOCATIONS:

a. GOED, 808 W. Nye Ln, Carson City, NV
b. Sawyer Building, 555 E. Washington Avenue, Las Vegas, NV
c. Nevada State Library, 100 N. Stewart St., Carson City, NV
d. Nevada State Capitol, 101 S. Carson Street, Carson City, NV
e. LVGEA, 6720 Via Austi Parkway., Suite 130, Las Vegas, NV
f. City of Las Vegas, City Hall, 400 East Stewart Avenue, Las Vegas, NV
g. City of North Las Vegas, City Hall, 2250 N. Las Vegas Boulevard, North Las Vegas, NV
h. Clark County Government Center, 500 S. Grand Central Parkway, Las Vegas, NV
i. City of Boulder, City Hall, 401 California Avenue, Boulder City, NV
j. City of Henderson, City Hall, 240 Water Street, Henderson, NV
k. City of Mesquite, City Hall, 10 E. Mesquite Boulevard, Mesquite, NV
l. Lincoln County Regional Development Authority, P.O. Box 1006, Caliente, NV
m. Nye County Regional Economic Development Authority, P.O. Box 822, Pahrump, NV
n. GOED website www.diversifynevada.com
o. Nevada Public Notice website http://notice.nv.gov

NOTE (2) Persons with disabilities who require special accommodations or assistance at the meeting should notify Wendy Pope, Governor's Office of Economic Development, 555 E. Washington Ave., Suite 5400, Las Vegas, Nevada 89101 or by calling 702-486-2700 on or before the close of business two business days prior to the meeting date.

NOTE (3) The Committee reserves the right to take items in a different order, combine items for consideration and/or pull or remove items from the agenda at any time to accomplish business in the most efficient manner.

NOTE (4) All comments will be limited to 3 minutes per speaker. Comment based on viewpoint may not be restricted. No action may be taken upon a matter raised under the public comment period unless the matter itself has been specifically included on an agenda as an action item. Prior to the commencement and conclusion of a contested case or quasi-judicial proceeding that may affect the due process of individuals, the Committee may refuse to consider public comment. See NRS 233b.126.

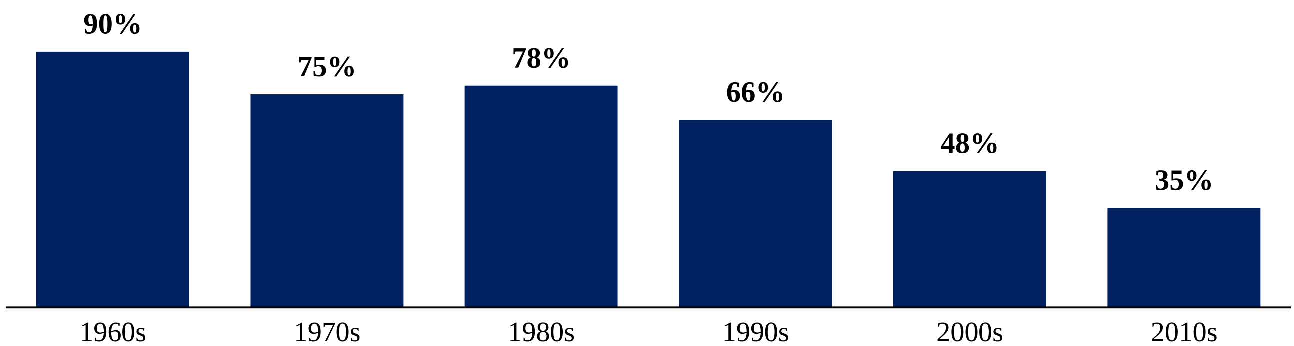
NOTE (5) For supporting material please contact Wendy Pope, 555 E. Washington Avenue, Suite 5400, Las Vegas, Nevada 89101, (702) 486-2700, wpope@diversifynevada.com. Materials may be obtained at the following public locations: Governor's Office of Economic Development, 555 E. Washington Avenue, Suite 5400, Las Vegas, Nevada 89101 or Governor's Office of Economic Development, 808 W. Nye Lane, Carson City, Nevada 89703.

SOUTHERN NEVADA
Tourism Infrastructure Committee

Room Tax Distribution in Southern Nevada

Since 1957, a room tax has been collected in Clark County to support the promotion of Southern Nevada's tourism industry. Today, the room tax accounts for roughly 80 percent of annual operating revenues for the Las Vegas Convention and Visitors Authority. Since the room tax was enacted, however, the percentage of revenue dedicated to tourism has gradually declined as the tax rate has been raised and modified to fund education, transportation, and other initiatives at the state and local levels.

History of Room Tax Distribution for Tourism Promotion
LVCVA and Nevada Commission on Tourism



** Figures represent decade averages.* *Source: Las Vegas Convention and Visitors Authority, Applied Analysis*

The room tax rate in Clark County depends on the location of the establishment. The rate varies from 12 percent to 13 percent for resort hotels and from 10 percent to 13 percent at other lodging facilities. Total revenue is distributed according to state and local law. The largest share of room tax revenue (39 percent) is dedicated to education funding at both the state and county levels. Tourism promotion receives the second-highest share (35 percent) of room tax revenue via funding for the LVCVA and the state Commission on Tourism. Total room tax collections reached a record $606 million in fiscal year 2015, up more than 7 percent from the prior year.

Room Tax Distribution in Clark County – FY2015

	Room Tax Rate	Amount	Share
Total Clark County Room Tax Collections	10% - 13%	$605,729,967	100.0%
Las Vegas Convention and Visitors Authority	2% - 6%	$194,200,663	32.1%
Nevada - Education	2% - 3%	$148,902,500	24.6%
Clark County School District	1⅝%	$85,405,191	14.1%
Local Jurisdictions	1% - 2%	$83,481,060	13.8%
Clark County Transportation	1%	$53,817,737	8.9%
Nevada Department of Transportation	N/A*	$21,186,259	3.5%
Nevada Commission on Tourism	⅜%	$18,736,557	3.1%

** Debt service obligation as required by NRS and AB 545.* *Source: Las Vegas Convention and Visitors Authority, Nevada Department of Taxation*

SOUTHERN NEVADA TOURISM INFRASTRUCTURE COMMITTEE MEETING
December 3, 2015

The meeting of the Southern Nevada Tourism Infrastructure Committee was called to order by Chairman Hill at 9:00 a.m. in the Blasco Event Wing located in the Foundations Building at the University of Nevada, Las Vegas.

1. ROLL CALL/CALL TO ORDER/ESTABLISH QUOROM

BOARD MEMBERS PRESENT

Mr. Steve Hill, Committee Chairman
Mr. Steve Sisolak, Chairman of the Clark County Commission
Ms. Kristin McMillan, President and CEO of the Las Vegas Metro Chamber of Commerce
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

BOARD MEMBERS ABSENT

Mr. Len Jessup, Committee Vice Chairman
Ms. Carolyn Goodman, Mayor of City of Las Vegas
Mr. Tom Jenkin, Global President of Caesars Entertainment

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

2. PUBLIC COMMENT: 9:05 A.M.

Mr. Craig Galati with the Lucchesi, Galati Architects, Inc. states that for a city to have effective transit, there needs to be an emphasis on the walkability of the city. Mr. Galati offers that to make transit thrive on Las Vegas Boulevard, there needs to be the same vibrant, Las Vegas experience that is offered inside resort properties on the sidewalks.

There are no more public comments. Chairman Hill closes Agenda Item 2.

3. ACCEPTANCE OF MINUTES FROM OCTOBER 22, 2015: 9:07 A.M.

Chairman Hill opens Agenda Item 3 for any motion to accept or amend the meeting minutes from October. A motion is made by Mr. Hornbuckle for the acceptance of the minutes. Mr. Sloan seconds the motion. The October meeting minutes pass unanimously.

Chairman Hill closes Agenda Item 3.

4. CHAIRMAN/COMMITTEE COMMENTS: 9:08 A.M.

Chairman Hill offers that for several years both Clark County and the City of Las Vegas have done an exceptional amount of work on pedestrian movement.

There are no more comments. Chairman Hill closes Agenda Item 4.

5. RESEARCH STAFF REPORT: 9:10 A.M.

Mr. Jeremy Aguero, Principal at Applied Analysis, notes that he has a few items to go through with the committee. The first is the Las Vegas Visitor Profile Matrix, which highlights all the key indicators for tourism in Las Vegas. This matrix is to be used by the committee as a quick-reference document. Next, Mr. Aguero references the report on the connections between southern Nevada and California. This report addresses how dependent southern Nevada's economy is on California and the importance of those linkages.

Chairman Hill asks how Mr. Aguero takes into consideration publically traded ownership of real property. Mr. Aguero states that if the publically traded entity has a California address and owns that asset, it would be counted as such.

Mr. Aguero then turns the committee's attention to the report chapter drafts on McCarran International Airport and Stadiums, Arenas and Event Centers. Mr. Aguero asks the committee to review the chapters and provide any direction relative on how the structure of the report can be improved to include anything the committee may need.

Mr. Hornbuckle asks how questions should be addressed to Mr. Aguero regarding these reports. Mr. Aguero states that the work sessions in February and March may be the best time to work through these questions. Comments on the reports can be submitted to Mr. Aguero directly via email, as long as the number of committee members does not reach a quorum.

Ms. Rosemary Vassiliadis then states McCarran International Airport is currently engaged in a capacity study. Thus, the 55 million passenger capacity may have been a conservative number. Once the results of the study are found, Ms. Vassiliadis will share those with the committee.

Chairman Hill closes Agenda Item 5.

6. PRESENTATIONS: 9:31 A.M.

a. Pedestrian Movement within the Resort Corridor: 9:31 a.m.

- **Mr. Don Burnette, County Manager of Clark County**
- **Mr. Denis Cederburg, Director of Public Works for Clark County**
- **Mr. Joseph Lombardo, Sheriff of the Las Vegas Metropolitan Police Department**

Mr. Don Burnette, County Manager of Clark County, introduces himself and Mr. Denis Cederburg, Director of Public Works for Clark County. The county's conversation regarding pedestrian movement began in 2011, when county officials walked along the resort corridor with property representatives. After that walk, a working group was formed and met 13 times over the course of six months to understand legal issues related to pedestrian movement. Over that period, the group developed 32 recommendations, most of which have been implemented.

Mr. Burnette lists some of the recommendations that have been implemented, such as the replacement of permitee-installed news racks with uniform, county-owned and maintained news rack. The county purchased 360 news racks in total and expects to have all news racks replaced by early 2016. Additionally, the county has required hand billers to periodically clean discarded handbills within a 25-foot radius. The county has also contracted with a private firm to provide two around-the-clock workers who are responsible for keeping the sidewalks clean.

With regards to public safety, Mr. Burnette highlights the system of security cameras that have been installed along Las Vegas Boulevard that are monitored by the Las Vegas Metropolitan Police Department. To date, the county has spent $750,000 to install 65 cameras.

In 2012, the county commissioned a pedestrian study to determine primarily where the congestion issues were. Mr. Burnette notes that this study was conducted during a peak tourist timeframe. The result was that 17 percent of Las Vegas Boulevard exceeded the Level-of-Service (LOS) C, a federal measure that defines the relative degree of convenience of different pedestrian traffic volumes and densities as determined by the Highway Capacity Manual. Recommendations that were implemented as a result were widening sidewalks in some areas to a minimum of 15 feet, removing permanent obstructions such as fire hydrants, bollards and trash cans, and installing as well as updating "No Obstruction Zones." Since 2012, the county, with the assistance of some resort properties, has widened roughly 1,700 linear-feet of sidewalk. The updated 2015 pedestrian study found that areas exceeding LOS C were reduced to 12 percent. However, there has been a 25 percent increase in non-permanent obstructions, such as hand billers.

Mr. Burnette explains that one recommendation from 2012 that has not been implemented is the commitment of additional law enforcement resources in the Las Vegas resort corridor. Mr. Burnette then turns the presentation over to Sheriff Joseph Lombardo with the Las Vegas Metropolitan Police Department (Metro). Sheriff Lombardo states that

Metro receives about 3.3 million calls annually in the communications dispatch center, 600,000 of which are calls for service. Of those calls for service, about 22 percent are sourced to Las Vegas Boulevard.

Sheriff Lombardo states there are currently 123 officers assigned to the Convention Center Area Command, which includes Las Vegas Boulevard and nearby residential and commercial areas. On average, there is a maximum of 30 officers assigned to Las Vegas Boulevard during a shift. Therefore, if there is an average of 300,000 tourists on the Strip per day, then the officer ratio is less than one officer per 1,000 tourists. However, Sheriff Lombardo states there is a program titled “Safe Strip” that is funded by the major resort properties to support overtime officers during Friday and Saturday evenings. These officers are assigned to the front of each property during the peak months of April through November. Total annual funding for “Safe Strip” is about $1.5 million.

Sheriff Lombardo then compares Las Vegas Boulevard’s 4.5 mile-long tourist attraction to New Orleans and New York’s Times Square. New Orleans’s popular attraction, Bourbon Street, experiences about 9.5 million visitors per year and has about 100 officers assigned to the 1.2 mile-long area. Additionally, Times Square, which is approximately five city blocks, has about 100 officers assigned who patrol continually throughout the day.

Sheriff Lombardo states that given the existing police department’s budget, the increase in police staffing will not match the predicted population and tourist growth. Sheriff Lombardo then suggests that in order to properly serve Las Vegas Boulevard, there needs to be additional officers that would come as a result of increasing Metro’s budget through an added revenue stream.

Chairman Hill asks Sheriff Lombardo if he feels there is an additional percentage needed for police presence on the Strip in comparison to the rest of the community or would the additional revenue be applied to the Strip corridor proportionally as it would to the rest of the community. Sheriff Lombardo anticipates that any additional revenue to hire new officers would be adjusted accordingly to address the call volume associated with Las Vegas Boulevard, but he does not feel that there needs to be a specific revenue stream just for officers on Las Vegas Boulevard.

Ms. McMillan asks Sheriff Lombardo to describe the level of enforcement activity for the obstructionist activity on Las Vegas Boulevard. Sheriff Lombardo states that about 48 percent of total officer time is spent on these activities. However, there are constraints to limiting these activities due to the First Amendment. Sheriff Lombardo then states that due to other constraints on the Clark County Detention Center budget, it is difficult to incarcerate an individual associated with an obstruction violation. Sheriff Lombardo states that prevention is more successful than reacting and arresting.

Mr. Markantonis asks if there are any projects that can be implemented to enhance pedestrian movement along Las Vegas Boulevard. Mr. Cederburg states that the county currently has a program to remove obstructions along Las Vegas Boulevard that is funded through the room tax.

Mr. Sisolak asks Sheriff Lombardo how effective it would be to buy additional security cameras for Las Vegas Boulevard. Sheriff Lombardo states those cameras cost about $50,000 each, so the money associate with them would require a significant investment. Mr. Sisolak believes that this is something that needs to be looked into further.

Chairman Hill thanks Mr. Burnette, Mr. Cederburg and Sheriff Lombardo for their presentation and welcomes the City of Las Vegas.

- **Ms. Elizabeth Fretwell, City Manager of the City of Las Vegas**
- **Mr. David Bowers, Director of Public Works for the City of Las Vegas**

Mr. David Bowers, Director of Public Works for the City of Las Vegas, references the latest visitor transportation survey to highlight some of the key findings, such as concerns over the walkability of sidewalks and lighting away from the Fremont Street Experience. The City of Las Vegas's programmed improvements include widening the sidewalks to 10 to 15 feet, shading the sidewalks, increasing lighting levels, adding police presence and increasing taxicab zoning locations.

Mr. Bowers suggests that the addition of a downtown circulator would resolve the concern that tourists have with moving around the downtown area, such as from Fremont Street to the Las Vegas Premium Outlets. Mr. Bowers states the circulator would be a free service with a fixed route, similar to transportation options in other large cities.

Similar to Las Vegas Boulevard, Fremont Street Experience has increased its police presence by implementing a pilot program consisting of four City Marshals, bringing in additional Metro patrol during events and installing 22 police-operated security cameras.

Over the past seven years, Ms. Fretwell said there has been a total of $47 million invested in pedestrian enhancements. The City of Las Vegas anticipates there will need to be an additional $177 million in transportation funding needs, including new interchange access into downtown.

Ms. McMillan asks if the City of Las Vegas anticipates any impacts on pedestrian traffic as a result of Project Neon. Mr. Bowers states they do expect to see more movement, but they have been increasing the sidewalk widths in preparation for this increase in traffic.

Mr. Noonan asks the City of Las Vegas to provide more detail on the funding for the downtown circulator. Mr. Bowers states they have reached out to other cities to see what they were doing, which is when they heard of the electric vehicle. The funding for this is not finalized, but the vehicle may be part of a pilot program that would be privately funded. Ms. Fretwell states that this pilot program will give downtown the opportunity to test this mode of transportation to see how it will work and decide if it would be worth making a significant investment.

Chairman Hill thanks Ms. Fretwell and Mr. Bowers and closes Agenda Item 6a.

b. **The Las Vegas Convention Center Master Plan: 11:11 a.m.**
   - **Mr. Rossi Ralenkotter, President and CEO for the Las Vegas Convention and Visitors Authority**
   - **Ms. Rana Lacer, Senior Vice President of Finance for the Las Vegas Convention and Visitors Authority**
   - **Mr. Terry Miller, Principal and Co-owner of Cordell Corporation**

Mr. Rossi Ralenkotter, President and CEO of Las Vegas Convention and Visitors Authority (LVCVA), gives a review of how the LVCVA arrived at the Las Vegas Convention Center District's Master Plan. Mr. Ralenkotter states that in knowing the Las Vegas Convention Center needs to be updated and that exhibitors require additional space, the strategy needs to be based around protecting the $28 billion of business that the convention center currently has on its books over the next 10 years.

Mr. Terry Miller, Principal and co-owner of Cordell Corporation describes the four phases of the Las Vegas Convention Center District's Master Plan. To explain how the LVCVA arrived at how much space needs to be added in Phase Two, Mr. Miller explains the exhibition space of a convention center is typically 35 to 50 percent of the entire footprint of the building, meeting room space is typically 25 percent of the exhibit space and pre-function space is typically 35 percent of the exhibit space. Then, the support and services space should each be about 25 percent of the total exhibit, meeting room and pre-function space. This brings the total gross square footage to 1.4 million square feet of new space for the convention center. Once Phases Two and Three are complete, there will be 2.5 million square feet of exhibition space. This is still about 100,000 square feet less than Chicago's convention center, but 400,000 square feet more than Orlando; however, both of these facilities are expanding.

Mr. Miller then talks about how the budget for the Master Plan was formed. The budget was created based on Cordell's experience and conversations with construction personnel. Additionally, the budget was reviewed by Richardson Construction, a third party that has experience in Las Vegas. Mr. Miller then breaks down the costs that will bring the total budget of Phase Two to $600 per square foot. For Phase Three, the additional space will cost $695 per square foot due to the structural and system elements, while the renovation of the current facility will cost $44 per square foot. This brings the total cost for Phases Two and Three to $1.4 billion.

Mr. Miller then details the time scheduling of the Master Plan. Mr. Miller notes that since the LVCVA is a public agency, it cannot move forward without funding in place. If the budget is approved, Phases Two and Three are expected to be complete by 2022.

Ms. Rana Lacer, Senior Vice President of Finance for the Las Vegas Convention and Visitors Authority, provides a brief review of the finances for the LVCVA. In the SNTIC work session in early 2016, Ms. Lacer will provide a comprehensive review of the funding analysis that the LVCVA has completed, as well as the estimated resources essential to fund the Las Vegas Convention Center District's Master Plan. Ms. Lacer points out that the LVCVA receives about 82 percent of the revenue from room tax and 16 percent from facility use fees. Ms. Lacer notes that since the LVCVA is a government agency, its debt is considered municipal debt that is limited to financing available under Nevada state law, generally achieved through long-term bonds.

Ms. Lacer states that in 2012 she engaged specialized public financing advisors to conduct an analysis of the LVCVA's debt capacity. It was estimated that over the next 10 years, the LVCVA could afford $400 million for the Master Plan project. There were three additional capacity studies done, and each arrived at similar results.

Chairman Hill asks Ms. Lacer if the $400 million is the unused capacity. Ms. Lacer states the $400 million that was estimated in 2012 was in fact the unused capacity. However, by the time the Riviera Hotel demolition and site improvements are complete, the majority of the $400 million capacity would be exhausted. Ms. Lacer states that over the next five to six years, the remaining capacity would be less than $100 million.

Mr. Ralenkotter details the LVCVA's return on investment. The overall return on operation investment is $19 to $1, which includes direct, indirect and induced impacts. When looking at the Convention Center District over a 10-year timeframe, among the trade shows that indicated they would come to Las Vegas if the LVCVA completes this project, there will be around 70 new events bringing in about $4 billion in economic impacts. This equates to $3 for every $1 investment relative to this project.

Chairman Hill suggests that the LVCVA submit its documentation as if it were going to present in January so that the committee has the opportunity to review the material before the work session in February.

Mr. Hornbuckle comments that Mr. Miller's cost figures are reasonable compared to those that MGM Resorts International paid for their convention center expansion.

Chairman Hill thanks Mr. Ralenkotter, Ms. Lacer and Mr. Miller for their presentation and closes Agenda Item 6b.

c. An Additional Perspective: 12:38 p.m.
- Mr. Jonas Peterson, CEO of the Las Vegas Global Economic Alliance

Mr. Jonas Peterson, CEO of the Las Vegas Global Economic Alliance, briefly explains what the Las Vegas Global Economic Alliance does for Clark County and emphasizes that the target industry is the tourism industry. Mr. Peterson shows that Clark County's economy is growing.

Mr. Peterson states that one of the most important regional projects is the Interstate 11 and Intermountain West Corridor. He suggests this project is an opportunity to connect southern Nevada to neighboring markets, such as Phoenix and Los Angeles. Additionally, this project would connect Las Vegas to the CANAMEX trade corridor, giving southern Nevada access to manufacturing and ports in Mexico. Mr. Peterson states the return on investment for this project outweighs the initial cost, so the Las Vegas community should be looking to advance this project.

Mr. Peterson highlights that according to the Brookings Mountain West report, the southern Nevada economy is missing a university medical school, an interstate highway connecting to neighboring metropolitan areas, a rail transit system and a large capacity stadium. Mr. Peterson states Clark County needs to continue positioning itself as the intellectual capital of global gaming by putting emphasis on gaming manufacturing. Mr. Peterson then mentions some other industries that would benefit Las Vegas's economy, including film and media development, indoor agriculture and video game production.

Mr. Peterson then references a recent survey done by the Las Vegas Global Economic Alliance that asked participants how much they would be willing to pay to improve mass transit in the community. About 43 percent of participants stated they would be willing to pay $100 per year. Therefore, there is support for funding infrastructure projects in southern Nevada.

There are no comments from the committee. Chairman Hill closes Agenda Item 6.

7. JANUARY MEETING PREVIEW: 12:50 P.M.

Mr. Jeremy Aguero states the January meeting will focus on roads, highways and mass transit. In the briefing Mr. Aguero provided, he points to the key statistics that relate to transportation activity in terms of supply and demand in southern Nevada. He argues that southern Nevada is seeing increased demand in transportation activity, but due to the lack of supply, there is congestion on the roadways that is costing southern Nevada's economy roughly $1.4 billion a year in lost fuel and time.

Chairman Hill closes Agenda Item 7.

8. COMMITTEE MEMBER COMMENTS: 12:53 P.M.

There are no comments at this time. Chairman Hill closes Agenda Item 8.

9. PUBLIC COMMENT: 12:54 P.M.

Mr. Ed Uehling refers to the Las Vegas Convention and Visitors Authority, stating that it proposed a billion dollar contract without looking at additional options. Mr. Uehling offers that Las Vegas's competition is international, thus the attention should be directed to bringing international tourists to Las Vegas.

Chairman Hill closes Agenda Item 9.

10. ADJOURNMENT: 12:58 P.M.

CHAIRMAN HILL OPENS AGENDA ITEM 10 FOR POSSIBLE ACTION. MR. MARKANTONIS MAKES THE MOTION TO ADJOURN THE COMMITTEE MEETING. MR. HORNBUCKLE SECONDS THE MOTION. THE MOTION PASSES UNANIMOUSLY.

SOUTHERN NEVADA
Tourism Infrastructure Committee

Out-of-State Transportation
Speaker Backgrounds

Roger Dow
President and CEO
U.S. Travel Association

Mr. Dow has served as President and CEO of the U.S. Travel Association since 2005. He previously spent 34 years at Marriott International. U.S. Travel's mission is to increase travel to and within the United States. Its priorities include:

- Investing in the nation's transportation infrastructure to accommodate increasing demand and desire for travel to and within the U.S.
- Reducing barriers to travel through smarter visa policies, especially in high-growth markets such as Brazil, China and India.
- Welcoming more international travelers to the U.S. by fostering the Visa Waiver Program, such as the recent addition of Taiwan and Chile.
- Improving the entry experience at America's gateway airports.
- Implementing common-sense approaches to reform America's air travel security and screening system to maximize safety, while making the process less burdensome on the vast majority of travelers who pose no threat.

Phil Brown
Executive Director
Greater Orlando Aviation Authority

Mr. Brown has helmed Orlando International Airport since 2010. His appointment marked a return to public service for Mr. Brown, who in the early 1990s had served one term as the Orange County administrator and worked on the airport authority's executive staff. In between he spent 14 years working for private investment companies.

- Orlando International Airport is undertaking a $1.1 billion capital improvement project that includes construction of an Intermodal Terminal Facility. The $215 million transportation hub will accommodate buses, shuttles, taxis, an automated people mover and three rail systems (SunRail light rail, All Aboard Florida intercity train, and the convention center light rail). It is scheduled for completion in October 2017.
- The Greater Orlando Aviation Authority recently voted to pursue right-of-way negotiations to build a light rail system connecting the airport and the Orange County Convention Center.
- The $560-million light rail system will be privately financed by Tony Morris of American Maglev Technologies with backing from Spanish company Globalvia. Morris had sought to build a Maglev train, but authority concerns about ridership, safety and testing time ended plans for what would have been the first Maglev train in the U.S.

Mike Allegra
President and CEO (retired)
Utah Transit Authority

Mr. Allegra worked for the Utah Transit Authority for nearly 40 years before retiring last year. He played an integral role in the development of the agency's extensive rail system and oversaw the recent completion of the FrontLines 2015 project, which added four light rail lines, one commuter rail line and 70 miles of track to the system.

- UTA operates bus, light rail, and commuter rail systems in the Salt Lake City area with an annual ridership of more than 45 million in 2014. Ridership on the TRAX light rail system exceeded 19.8 million.
- In 1999 UTA opened a single TRAX line connecting downtown Salt Lake City with Sandy. The system has since expanded to 44 miles of light rail, an 89-mile commuter rail system and Utah's first modern streetcar.
- In August 2013, the FrontLines 2015 expansion was completed two years ahead of schedule and more than $300 million under budget.
- The total economic value of the UTA rail system and associated public and private development over the past 15 years is estimated to be in excess of $7 billion.

Steve Heminger
Executive Director
San Francisco Bay Area Metropolitan Transportation Commission

Mr. Heminger has worked for the Metropolitan Transportation Commission since 1993. The agency oversees regional transportation planning and finance for the nine-county San Francisco Bay Area. During his tenure, Mr. Heminger served on the National Surface Transportation Policy and Revenue Study Commission, which released a report to help guide the federal transportation program.

- The Transbay Transit Center, called the "Grand Central Station of the West," is under development in downtown San Francisco. The multi-modal station will connect 11 public transit systems in one facility, including intercity, regional, and local buses and commuter and high speed rail.
- The $4.5 billion project includes the development of a 40-acre pedestrian-friendly community with seven new high rises, approximately 4,500 new housing units, commercial and retail development, and 11 acres of new parks.
- The project is funded through a combination of federal, state, and local sources, including voter-approved taxes, land sales, and federal transportation programs.

Paul Jablonski
Chief Executive Officer
San Diego Metropolitan Transit System

Mr. Jablonski has headed the San Diego Metropolitan Transit System since 2003 following a decade overseeing the Southwest Ohio Regional Transit Authority. His early career included five years in Saudi Arabia to start up and operate Jedda's first city bus system. More recently, he guided a five-year, $680 million project to renovate the San Diego Trolley network and bring low floor cars to the entire system.

- The MTS operates bus and light rail systems in the greater San Diego area with annual ridership of 93 million in 2014. The light rail system, known as the Trolley, carried nearly 40 million annual passengers.
- The Trolley has the highest farebox recovery ratio among light rail systems in the United States. In 2014, the Trolley recouped 56 percent of operating costs through passenger fares.
- Boston had the next-highest cost-recovery ratio with 49 percent. The average ratio among the nation's 23 major light rail systems was 27 percent.

Marla Lien
General Counsel
Denver Regional Transportation District

Ms. Lien joined the Denver Regional Transportation District in 1990. Since becoming general counsel in 2005, Ms. Lien has worked primarily on the FasTracks program, including land acquisition, Denver Union Station redevelopment, and the private-public partnership project known as Eagle P3.

- The Denver Regional Transportation District operates a bus and light rail transit system with an annual ridership of 105 million in 2014. Light rail ridership exceeds 26 million passengers per year.
- In 2004, voters approved a 0.4 percent sales tax to fund the FasTracks program. When complete, the program will have built 122 miles of new commuter rail and light rail, 18 miles of bus rapid transit service, 21,000 new parking spaces, 31 new Park-n-Rides, and 57 new transit stations.
- FasTracks also included the redevelopment of Denver Union Station into an intermodal transit center that offers access to bus lines, light rail, Amtrak, and, later this year, commuter rail.
- Eagle P3 is a public-private partnership project to finance and develop portions of the FasTracks plan. Under Eagle P3, the private team invests its own money and assumes much of the risk on the project. That allows the public entity to spread out large upfront costs while preserving public cash for early construction.

TIBP

Transportation Investment Business Plan

A Blueprint for Growth & Transformation

DRAFT EXECUTIVE SUMMARY

GO Fast GO Forward GO Vegas

DECEMBER 2015

TIBP

OUR OPPORTUNITY

While mobility is key to any economy, it is particularly important to a visitor-based economy like Southern Nevada's. Here, more than a third of the local economy is dependent on the region's leisure and hospitality industry — and its 41 million patrons who spend more than $30 billion each year. To this end, Southern Nevada has a vested interest in delivering on the promise of the Las Vegas experience that is our brand.

Las Vegas has a challenge most communities would like as their own: a strong industry in need of greater connectivity. Other communities often invest in infrastructure as a means to lure specific industries, rather than to support growth of the existing economy. Addressing the challenge of building infrastructure to support industry expansion will allow Las Vegas to solidify its regional economy and experience more robust future economic growth.

The Transportation Investment Business Plan invites us to take greater control of our economic future by thoughtfully planning for sustainable growth. By investing in a purposeful, strategic mobility plan with a seamless transportation system at its heart, our community will make a powerful choice to:

- Maintain and grow Southern Nevada's position as the world's premier destination for convention business and leisure travel;
- Connect key centers of economic activity to reduce congestion and the cost of movement;
- Position Las Vegas as an attractive place to do business and stimulate our local, regional and state economies; and
- Improve safety for pedestrians and autos alike.

As with any plan that embodies an ongoing course of work and envisions a journey, this plan is intended to be a "living" document. The plan serves as a foundational framework that contemplates and embraces continued exploration and development. I am incredibly proud of our community's vision for transformational mobility planning. It promises to contribute a new chapter to Las Vegas' inspiring history…elevating our community as a better place to live, work, play and do business and ensuring our city's greatness for generations to come. Go Fast. Go Forward. Go Vegas.

Tina Quigley

Tina Quigley
General Manager
Regional Transportation Commission of Southern Nevada

DRAFT

"A dramatic change is occurring in how metropolitan areas plan for their future. In these places, a dedicated set of civic, corporate, political, and philanthropic leaders are physically remaking their cities and suburbs around the concepts of greater spatial efficiency, improved access to opportunity, and more sustainable urban design. Las Vegas has a generational opportunity to build off its existing assets and dynamic tourism industry by acting with purpose and clarity."

– Robert Puentes and Adie Tomer, *Linking Transportation, Planning, and Economic Growth: Lessons for Metropolitan Las Vegas*, Brookings Institution Metropolitan Infrastructure Program.

OUR IMPERATIVE

In an increasingly connected world, seamless accessibility and mobility is no longer considered an enhancement by the global traveler nor a bold, lofty idea for cities that compete for tourism on a global scale. Real-time information and ease of movement in and around a destination are now baseline expectations - and cities are making investments to meet them.

- In Dallas, a $2.3 billion investment in bus and rail has created more than $4 billion in economic activity – and is still having an impact of $663 million each year.
- In Cleveland, major investments in transportation networks are driving a real estate revival downtown.
- And Las Vegas' neighbors in Denver, Phoenix, Salt Lake City, San Diego and other communities have invested in vital infrastructure and transit projects to spur growth and development, raising the bar for mobility and accessibility, both as destinations and as hometowns.

To residents and visitors, there is no place like Las Vegas anywhere in the world. We have forged a thriving $30 billion visitor-based economy and remain the world's top convention destination.

But our strengths also come with challenges. Our economy lacks diversity, leaving Las Vegas significantly more vulnerable to shifts in economic trends. And while the private sector in Las Vegas continues to set the standard for world-class accommodations and entertainment, our region has not invested in the next generation of transportation infrastructure needed to continue delivering the superior visitor experience for which we are known.

We are today a great city, but our ambitions for tomorrow are at risk due to a transportation and infrastructure system that cannot meet expected capacity over the next 20 years.

LAS VEGAS' TRANSPORTATION SYSTEM IS STRAINED

- The average Las Vegas visitor will experience more than 19 minutes in travel delays per trip because of congestion, translating to $241.8 million in lost time and wasted gas.
- The average rush hour commuter in southern Nevada spends 46 hours a year stuck in traffic, and even motorists who don't drive at peak hours waste 11 hours sitting in traffic annually.
- Peak-hour commuters are calculated to lose over $909 million due to congestion. Off-peak drivers lose $102.7 million.
- Current pedestrian traffic on the strip is between 50,000-67,000. Based on future visitor volumes, pedestrian demand is expected to surge up to 240,000 people per day.
- Should McCarran International Airport reach its maximum capacity of roughly 55 million annual passengers, the streets and highways in and around the Resort Corridor would be utterly incapable of moving those additional visitors through the Core Area.
- The Clark County population will grow to an estimated 2.7 million residents by 2030 and 3.0 million by 2040. The number of visitors, already at a record 41.1 million in 2014, will climb to 53.1 million by 2030 and to 56.3 million by 2040.

The Core Area's existing infrastructure already strains under current demands: key corridors within the Core Area are already 9% to 27% over capacity, and corridors overall are running at 98% of capacity. By 2035, every key corridor save one will exceed its capacity.

We need decisive leadership and public investments to ensure that the visitor experience, which draws millions of tourists to Las Vegas and supports more than 54 percent of our economy, continues to be world-class. Without a modern, seamless transportation system, we risk losing our international stature – particularly in the important meetings and conventions market – to other cities. For no matter what other investments we make – from cultural attractions to great educational facilities to technology hubs – none of it works without mobility.

We can continue to pursue the status quo, as we have historically. We can fail to address the growing need for a multi-dimensional and coordinated transportation system. But these lost opportunities will translate to lost employment for Nevadans, declining revenue for schools and other public works, fewer opportunities for Las Vegas' small businesses and homegrown companies, and – as we've seen – severe consequences for our local economy.

THE CHOICE TO DO NOTHING

$8B to $79.8B of Total Economic Loss Over 30 Years

If we choose to take action and invest in transforming mobility in Las Vegas, we will lay the foundation for a dynamic future of more robust economic growth, stronger job creation, greater business development and innovation, increased tourism, and a more livable community – for today's residents and future generations.

To achieve this bold vision, Las Vegas needs a plan: a clear path forward for our investment and collaboration.

We call it the Transportation Investment Business Plan (TIBP).

BEING ONE OF THE WORLD'S FAVORITE DESTINATIONS HAS ITS BENEFITS.*

41.1M
41.1 million visitors

5.2M
5.2 million convention visitors

$29.8B
$29.8B in spending

$13.9B
$13.9B wages and benefits**

$1.5B
$1.5B in tourism-related taxes

54%
54% of regional economic output**

366K
366,000 jobs

*All data reflects 2014 figures.
**Direct, indirect and induced for 2014

No matter what other investments we make – from cultural attractions to great educational facilities to technology hubs – none of it works without mobility.

OUR PROCESS

Initially launched by the Las Vegas Convention and Visitors Authority, a world-leading destination marketing organization, the TIBP is the result of one of the most far-reaching community collaborations in Las Vegas history. Under leadership from the Regional Transportation Commission of Southern Nevada (RTC), the TIBP is a comprehensive blueprint for developing a modern transportation system.

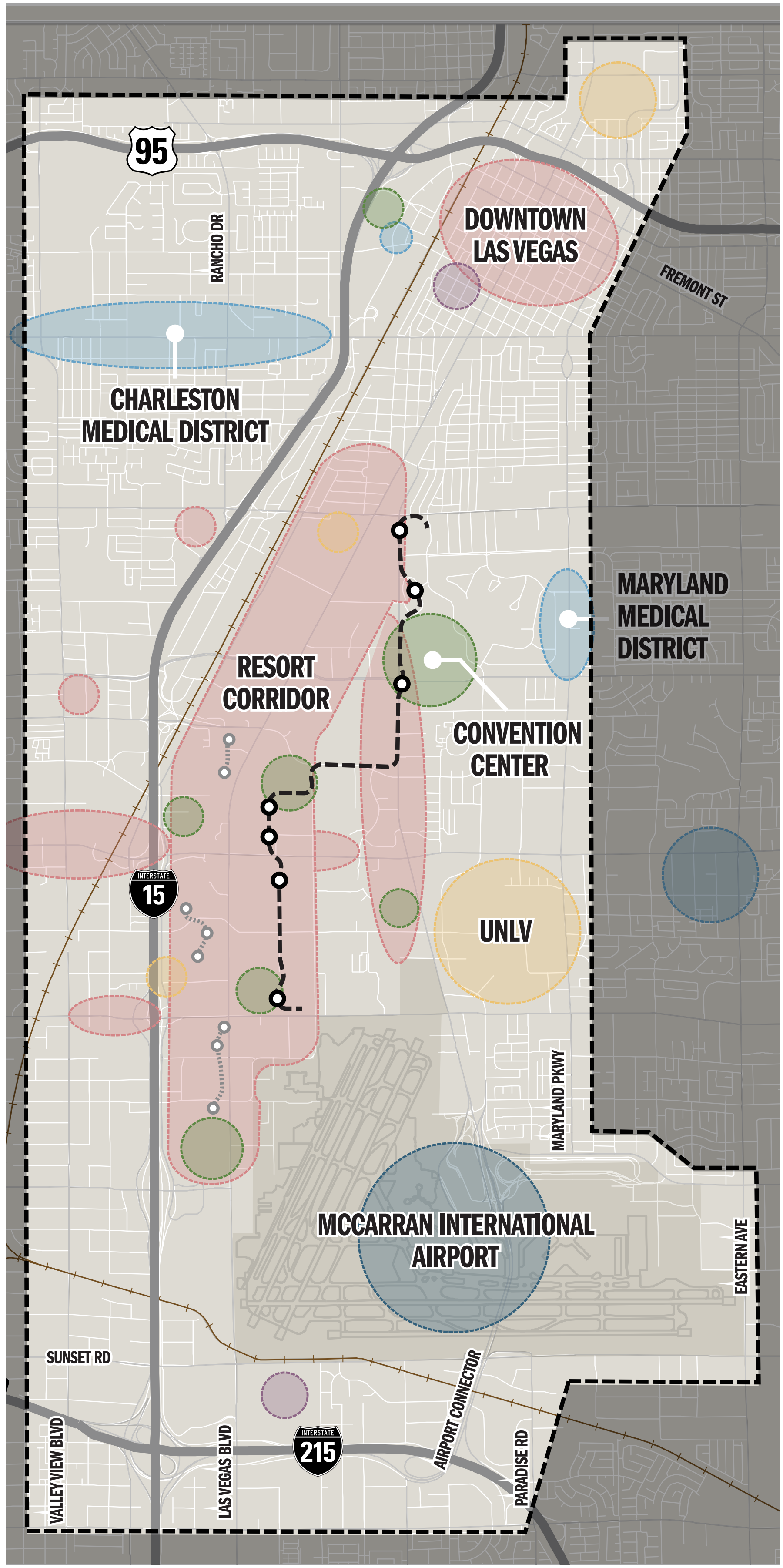
The plan reflects more than 18 months of rigorous research and analysis conducted by local and national experts in engineering, economics, finance, real estate development, transportation, and urban planning. It draws from broad discussions with stakeholders across the region, including business leaders, government officials, resort and destination partners and a variety of community stakeholders.

To develop this plan, TIBP working groups undertook a comprehensive two-tiered evaluation process.

During the Tier 1 analysis, they examined the mobility areas most critical to address, including the travel corridors that currently bear the greatest demand and the mobility bottlenecks that most affect the free flow of people and goods.

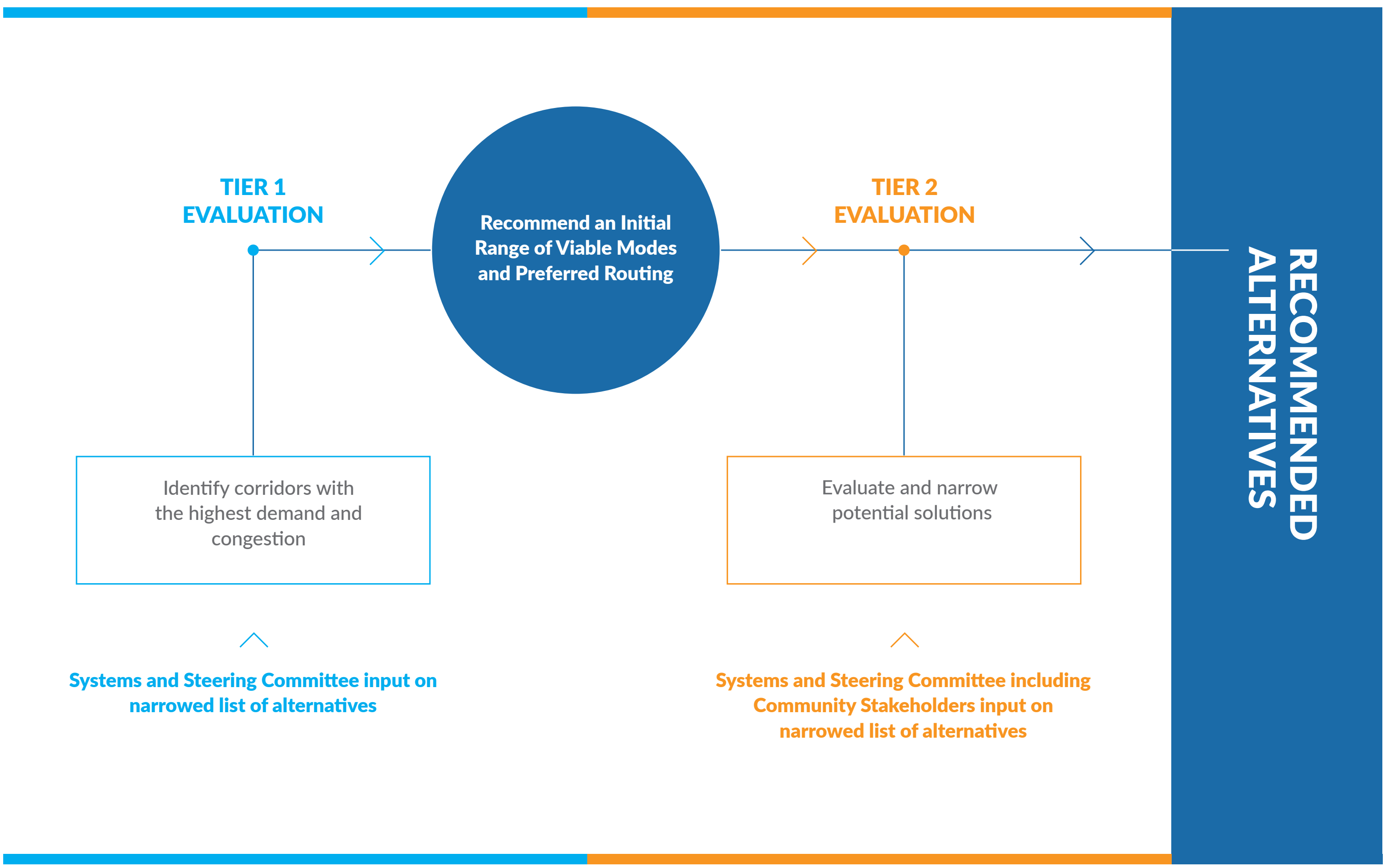
In Tier 2, the TIBP consulting team reviewed available travel demand data from transportation providers, existing studies of roadway conditions, transit ridership surveys, household travel surveys, the 2013 RTC Travel Demand Model, and other statistics to identify a range of potential solutions for each mobility focus area.

THE CORE AREA OF THE TIBP



The TIBP provides transportation and infrastructure recommendations for Las Vegas' resort corridor and the surrounding areas, anchored by McCarran International Airport, the Las Vegas Strip, the Las Vegas Convention Center, Downtown Las Vegas, the UNLV campus, the Medical District along Charleston Boulevard, and Cashman Center.

The TIBP is a comprehensive blueprint for developing a modern transportation system.



The overall solutions identified encompass transit, surface street, freeway and pedestrian improvements, in addition to public policy actions to support the most effective use of existing infrastructure. Properly addressing connectivity within a particular mobility focus area involved identifying and compiling solutions from two or more of these categories.

For transit solutions in particular, a rigorous process was undertaken to assess various modes and technologies to determine how effective they would be in addressing each mobility focus area. This analytical process led the TIBP working groups to recommend transit solutions most appropriate to specific needs within each mobility area, as well as those most likely to serve the region's comprehensive needs now and in the future.

RECOMMENDATIONS OF THE TRANSPORTATION INVESTMENT BUSINESS PLAN

The recommendations of the TIBP identify the capital improvements, construction, policy and program innovations and modern technology solutions needed to provide an advanced system of mobility for visitors and residents alike – while preserving the unique character and spirit of Las Vegas.

The TIBP includes recommendations in five critical and complementary areas across seven “suites” of projects – all designed to serve residents and visitors. These recommendations have an estimated cost range of $7B to $12B adjusted for inflation.* The five critical and complementary areas include:

- **Surface/Local Roadway Recommendations**
- **Freeway Recommendations**
- **Pedestrian Recommendations**
- **High-Capacity Transit Recommendations**
- **Public Policy Actions**

*Estimated cost range includes development, operations and management costs for all projects except light rail, which includes only planning costs. When including traditional debt financing to fund a portion of the projects, costs are between $8.5B and $14.3B.

These recommendations represent the shared vision of all of the project’s stakeholders, including the steering committee, systems groups, consulting team, and other contributors to the process. Implementing the Plan’s recommendations will create a comprehensive transportation network capable of catalyzing Las Vegas’ future growth for the benefit of residents, workers, tourists, and business visitors.

TIBP RECOMMENDED PROJECT AND POLICY SUITES

(ESTIMATED COST RANGE $7B - $12B)

The TIBP recommendations are grouped according to seven "suites" – constellations of interrelated, complementary projects and policies that if implemented together will have the greatest strategic impact.*

*Estimated cost range is adjusted for inflation and includes light rail planning and design. It does not include the construction, operation and maintenance of light rail. While the TIBP recommendations are being considered for further development, the RTC, NDOT and local governments will continue optimizing and enhancing the existing transportation system and infrastructure to maximize their effectiveness in connecting Las Vegas, its residents, and visitors.

1

PROJECT SUITE ONE (ESTIMATED COSTS: $2.75B – $3.95B)*

Enhance visitor mobility between McCarran International Airport, the Resort Corridor and Downtown

Surface/Local Roadway Improvements

- Improve passenger loading areas at McCarran International Airport
- Koval/Swenson Express Airport Connector Elevated Couplet

High-Capacity Transit Improvements

- Planning for Core Area light rail
- Bonneville Transit Center expansion
- Light rail extension to Cashman Center
- McCarran Multimodal Transportation Center

*Project suite estimated costs include light rail planning and design. Light rail construction, operation and maintenance costs are not included.

2

PROJECT SUITE TWO (ESTIMATED COSTS: $733M - $1.0B)

Improve pedestrian safety and mobility along Las Vegas Boulevard

Pedestrian Improvements

- Iconic circular pedestrian bridge at Las Vegas Blvd/Sahara Ave
- Pedestrian bridges at Las Vegas Blvd/Riviera Blvd, Las Vegas Blvd/Resorts World Dr, LINQ/Las Vegas Blvd, Flamingo/Las Vegas Blvd, Las Vegas Blvd/Bellagio Dr/Paris Dr, and Hard Rock Café/MGM Dr/Las Vegas Blvd
- Elevated sidewalks between Caesars Palace and Bellagio, Bellagio and CityCenter, the Flamingo and Venetian, the Plaza (McDonald's) and Harmon Ave, and in front of Treasure Island and Caesars Palace
- Widen sidewalks to 18 feet, where feasible
- Resort Corridor way-finding system

3

PROJECT SUITE THREE (ESTIMATED COSTS: $648M – $712M)

Improve connections between convention and event facilities

Surface/Local Roadway Improvements

- Giles-Reno-Koval improvements
- Koval Ln widening
- Paradise/Swenson one-way couplet extension
- Harmon Avenue Complete Street
- Howard Hughes Parkway extension (Tropicana-Flamingo connector)
- Convention Center Dr/Riviera Blvd Complete Street (prioritize pedestrians)
- Convention Center Dr/Riviera Blvd Complete Street (prioritize transit/taxis)

Pedestrian Improvements

- Pedestrian bridges at Convention Center Dr/Paradise Rd, Sands Ave/Koval Ln, Paradise Rd/Harmon Ave and Tropicana Ave/Koval Ln
- Monorail extension to Mandalay Bay
- New monorail station at Sands Expo and Convention Center
- Monorail spur to LVCVA expansion facilities
- Monorail extension to future high-speed rail

4

PROJECT SUITE FOUR (ESTIMATED COSTS: $1.83B – $4.83B)

Improve connectivity between the Core Area and workforce population centers

High-Capacity Transit Improvements

- High-capacity transit on: Maryland Pkwy, Charleston Blvd, North 5th St, Valley View Blvd/US 95, South Las Vegas Blvd, I-215/CC-215
- Regional park-and-ride facilities
- Flamingo Rd transit improvements

5

PROJECT SUITE FIVE (ESTIMATED COSTS: $601M - $727M)

Improve Core Area access from I-15

Surface/Local Roadway Improvements

- Valley View-Harmon connection
- MLK Boulevard extension south to Meade Ave
- Meade Ave connection to Resorts World Dr

Freeway Improvements

- I-15 direct access HOV drop ramp to Meade Ave
- I-15 direct access HOV drop ramp to Harmon Ave
- I-15 direct access HOV drop ramp to Hacienda Ave
- I-215 HOV direct airport connection
- I-15/Tropicana Ave interchange

6

PROJECT SUITE SIX (ESTIMATED COSTS: $491M – $762M)

Improve Downtown circulation and access

Surface/Local Roadway Improvements

- Intersection improvements at Las Vegas Blvd/Main/St. Louis/Paradise
- MLK Blvd extension to Oakey Blvd
- Grand Central Pkwy-Industrial Rd connector

Freeway Improvements

- I-515/City Pkwy interchange
- I-515/Maryland Pkwy interchange
- I-15/NEON Gateway direct access HOV drop ramp

Pedestrian Improvements

- Downtown Las Vegas pedestrian bridges

High-Capacity Transit Improvements

- Downtown Circulator Trolley

7

PROJECT SUITE SEVEN

Support transportation infrastructure coordination and implementation

Public Policy Actions

- Transportation navigation program
- Resort Corridor Mobility Association
- Connectivity within superblocks
- Parking management
- Meeting peak demand for private transportation

FUNDING OUR TRANSPORTATION FUTURE

To realize the growth enabled by projects recommended in the TIBP, Las Vegas will need to leverage existing funding and financing opportunities, implement new and innovative strategies, and foster collaboration between the public and private sectors. This approach has worked successfully in other cities that have launched projects of similar scope, including Denver, San Francisco, San Diego, and Phoenix.

Recommendations proposed in the TIBP could be funded by a blend of any of the following mechanisms:

- **Federal Funding & Financing:** TIBP projects may qualify for grants from the Federal Transit Administration, Federal Highway Administration, Federal Aviation Administration, U.S. Department of Transportation, and a number of specialized assistance programs.
- **State/Local Funding & Financing:** Revenue from the Government Services Tax, current Resort Corridor Room Tax dedicated to transportation, Sales Tax, Fuel Revenue Indexing, and other state and local sources are all options available in Nevada. Funds could come from farebox revenues, naming rights and advertising, parking fees, fares and other revenue from the Las Vegas Monorail Company.
- **Alternative Funding Sources:** Revenue from private investment and public-private partnerships.

Phoenix leverages federal and state funding sources to move city's transportation projects forward

Voters in Phoenix, Arizona, recently approved a sales tax increase from 0.4 percent to 0.7 percent, which is expected to generate $16.7 billion to fund the MovePHX transportation plan, a $31.5 billion, 35-year transportation plan to expand light rail and bus service and to make significant roadway improvements.

RETURN ON INVESTMENT

The infrastructure improvements recommended by the TIBP carry a potential cost of between $7B and $12B* at completion, adjusted for inflation. These include planning, development, and construction of all capital projects and operation and maintenance of the entire system through 2046. When including traditional debt financing to fund a portion of the projects, inflation-adjusted costs are between $8.5B and $14.3B.

The TIBP recommendations will create jobs and generate significant economic activity:

$56B-$178B

Projected cumulative economic impact

122,000

Jobs

$46.1B

Projected economic output

While the projected cost of the TIBP is not inconsiderable, it pales relative to the size of Southern Nevada's $95.2 billion economy. Assuming no growth during the next 30 years, cumulative economic output for the region will be approximately $2.9 trillion. Thus, at the high end, the recommended project costs equate to 0.5 percent of total economic output during the 30-year period of the TIBP.

Put another way, Southern Nevada currently attracts 41.1 million visitors annually, each of whom spends approximately $724 per trip. Assuming no increase in visitation and no increase in visitor spending, 1.2 billion visitor trips over the next 30 years will generate approximately $900 billion in spending. Alternatively, if visitor trips decline by 1.6 percent because visitors are deterred by an inability to move easily within the Resort Corridor, the economic loss would essentially equal the $14.3 billion high cost plan estimate.

In other words, the negative economic impact of just a small decline in visitors frustrated by a clogged, inefficient transportation network more than justifies even the highest potential cost of the entire project.

A return-on-investment analysis was conducted as part of the TIBP process and broadly captured both the economic and societal considerations of transportation-related investments, using best practices established by the Transportation Research Board. The economic benefits of implementing this comprehensive program are clear and compelling.

- Southern Nevada could conservatively anticipate an average return of between 2:1 and 4:1, resulting in a combined economic impact of between $56 billion and $178 billion during the 30 years required to implement the entire program of recommended improvements.
- If TIBP-recommended projects reduced the annual rate of congestion growth from a baseline of 3% annually to zero – in other words, completely halt an increase in congestion – the positive economic impact would be $66 billion during the plan's 30-year implementation.
- Congestion costs in the region today exceed national averages, with traffic delays costing the typical Las Vegas commuter $984 and 46 hours in lost time a year. In 2015 dollars, project costs range from $3.75 billion to $6.3 billion: if TIBP projects significantly succeed in eliminating regional congestion, the projects would all but pay for themselves.

If TIBP projects significantly succeed in eliminating regional congestion, the projects would all but pay for themselves.

At the high end, the recommended project costs equate to 0.5 percent of total economic output during the 30-year period of the TIBP.

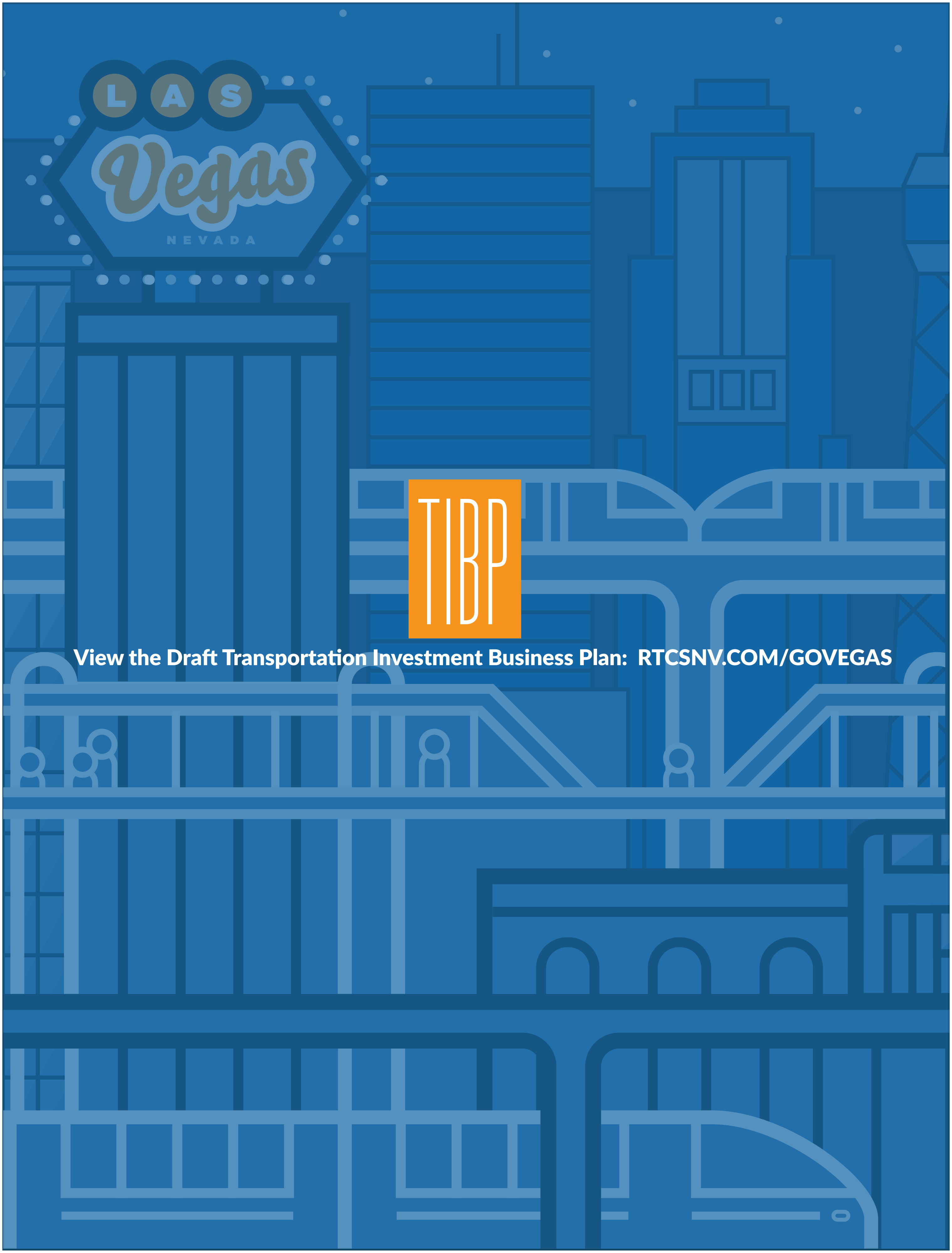
*Estimated costs include only planning costs for light rail; development and construction costs for this project are not included.

WHAT'S NEXT?

As part of the TIBP process, the team identified a number of immediate next steps for each project suite and individual recommendation. This activity aims to outline a clear strategy for advancing the TIBP and to ensure forward progress. Some of these next steps include the following activities:

- Integrate comments received from stakeholders;
- Conduct alternative economic and environmental analyses to test feasibility of various TIBP recommendations;
- Pursue additional stakeholder outreach;
- Prepare conceptual designs for proposed infrastructure improvements;
- Develop financial models and cost estimates based on potential funding sources and financing options;
- Develop way-finding system and signage;
- Conduct studies to determine appropriate locations and operations of various TIBP recommendations;
- Update RTC's Transit System Development Plan and Southern Nevada HOV Plan;
- Conduct an audit of the needs, opportunities and existing efforts for the various policy action recommendations; and
- Provide updates and regular reporting as well as summaries of "lessons learned."

In the coming months, the RTC will continue to work with TIBP partners and other stakeholders to accomplish the next steps for each recommendation, pursue the funding strategies, incorporate the projects into their respective plans and, where possible, initiate implementation.



View the Draft Transportation Investment Business Plan: RTCSNV.COM/GOVEGAS

Transportation Investment Business Plan

A Blueprint for Growth and Transformation

GO Fast GO Forward GO Vegas

TIBP

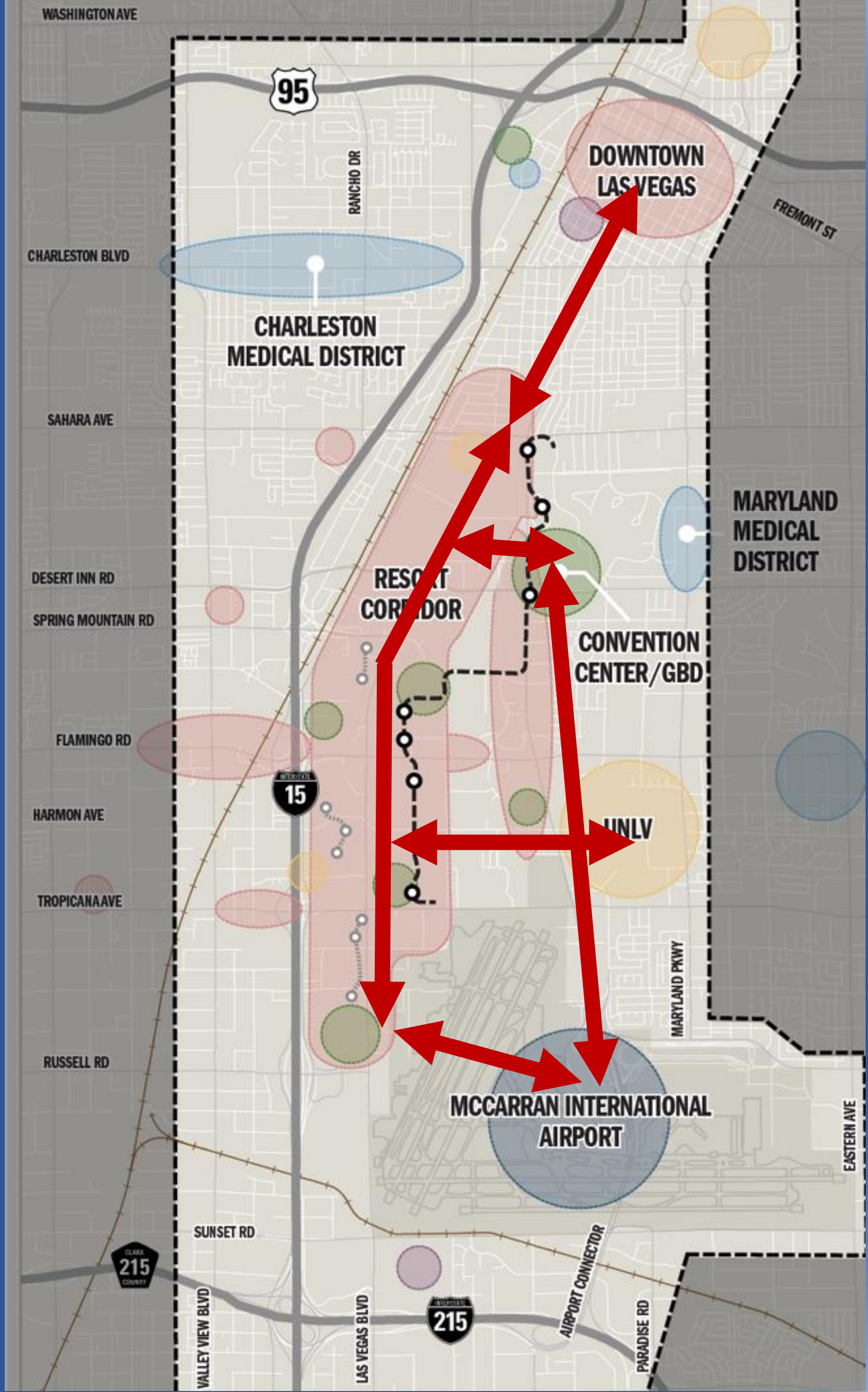
IMAGE: SAM GAO

TIBP Goals

» Protect and Grow the Core Area Economy
» Connect Economic Centers
» Expand Capacity
» Improve the Visitor Experience
» Remain Globally Competitive

Connect Economic Centers

TIBP identifies high-value linkages and critical mobility corridors.



Corridor Volume & Capacity
North-South Routes | Current

Street/Highway	Measurement Location	Lanes	Capacity	Volume	V/C Ratio
Valley View Blvd.	South of Spring Mt. North Rd.	6	43,200	22,000	50.9%
S. Rancho Dr.	North of Mesquite Ave.	6	54,000	32,000	59.3%
Martin L. King Blvd.	South of Alta	4	33,600	12,000	35.7%
Dean Martin Dr.	North of Tompkins St.	4	28,800	17,000	59.0%
I-15	North of Spring Mt. Rd.	10	237,600	260,000	109.4%
Frank Sinatra Dr.	North of Flamingo Rd.	4	21,600	28,000	129.6%
Industrial Rd.	North of Desert Inn	6	43,200	26,000	60.2%
Las Vegas Blvd.	North of Flamingo Rd.	7	63,000	59,000	93.7%
Koval Ln.	South of Flamingo Rd.	4	21,600	27,500	127.3%
Airport Connector	North of I-215	6	129,600	97,000	74.8%
Paradise Rd.	South of Flamingo Rd.	4	36,000	38,000	105.6%
Swenson St.	North of Tropicana Ave. East	4	28,800	21,500	74.7%
Maryland Pkwy.	North of Desert Inn	6	54,000	32,000	59.3%

No Congestion
Low Congestion
Moderate Congestion
Heavy Congestion
Severe Congestion

TIBP

Corridor Volume & Capacity
North-South Routes | At 2035

Street/Highway	Measurement Location	Lanes	Capacity	Volume	V/C Ratio
Valley View Blvd.	South of Spring Mt. North Rd. Rd.	6	43,200	56,200	130.1%
S. Rancho Dr.	North of Mesquite Ave.	6	54,000	60,300	111.7%
Martin L. King Blvd.	South of Alta	5	45,000	35,400	78.7%
Dean Martin Dr.	North of Tompkins St.	4	28,800	34,400	119.4%
I-15	North of Spring Mt. Rd.	14	302,400	359,800	119.0%
Frank Sinatra Dr.	North of Flamingo Rd.	4	21,600	25,100	116.2%
Industrial Rd.	North of Desert Inn	6	43,200	44,900	103.9%
Las Vegas Blvd.	North of Flamingo Rd.	7	63,000	82,900	131.6%
Koval Ln.	South of Flamingo Rd.	4	21,600	29,900	138.4%
Airport Connector	North of I-215	6	129,600	126,100	97.3%
Paradise Rd.	South of Flamingo Rd.	6	54,000	74,800	138.5%
Swenson St.	North of Tropicana Ave. East	4	28,800	37,100	128.8%
Maryland Pkwy.	North of Desert Inn	6	54,000	59,900	110.9%

- No Congestion
- Low Congestion
- Moderate Congestion
- Heavy Congestion
- Severe Congestion

TIBP

Corridor Volume & Capacity
East-West Routes | Current

Street/Highway	Measurement Location	Lanes	Capacity	Volume	V/C Ratio
I-215	West of Airport Connector	8	194,400	199,000	102.4%
Sunset Rd.	East of Paradise Rd.	6	54,000	40,500	75.0%
Russell Rd.	East of I-15	6	43,200	26,000	60.2%
Hacienda Ave.	West of I-15	4	21,600	12,000	55.6%
Tropicana Ave.	East of I-15	8	72,000	90,000	125.0%
Harmon Ave.	East of Las Vegas Blvd.	6	43,200	30,500	70.6%
Flamingo Rd.	East of I-15	7	63,000	80,000	127.0%
Twain Ave.	West of Dean Martin Dr.	4	21,600	15,500	71.8%
Spring Mountain Rd.	West of Mel Torme Way	8	57,600	65,000	112.8%
Desert Inn Rd.	East of Paradise Rd.	6	54,000	35,500	65.7%
Sahara Ave.	West of Las Vegas Blvd.	7	63,000	61,000	96.8%
Oakey Blvd./Wyoming Ave.	West of Industrial Rd.	4	28,800	13,000	45.1%
Charleston Blvd.	East of Grand Central Pkwy.	6	50,400	46,500	92.3%
I-515/US-95	East of Rancho Dr.	8	194,400	212,000	109.1%

No Congestion
Low Congestion
Moderate Congestion
Heavy Congestion
Severe Congestion

TIBP

Corridor Volume & Capacity
East-West Routes | At 2035

Street/Highway	Measurement Location	Lanes	Capacity	Volume	V/C Ratio
I-215	West of Airport Connector	8	194,400	278,700	143.4%
Sunset Rd.	East of Paradise Rd.	6	54,000	55,300	102.4%
Russell Rd.	East of I-15	6	43,200	49,400	114.4%
Hacienda Ave.	West of I-15	4	21,600	33,000	152.8%
Tropicana Ave.	East of I-15	8	72,000	104,200	144.7%
Harmon Ave.	East of Las Vegas Blvd.	6	43,200	47,600	110.2%
Flamingo Rd.	East of I-15	7	63,000	135,000	214.3%
Twain Ave.	West of Dean Martin Dr.	4	21,600	28,600	132.4%
Spring Mountain Rd.	West of Mel Torme Way	8	57,600	71,000	123.3%
Desert Inn Rd.	East of Paradise Rd.	6	54,000	58,900	109.1%
Sahara Ave.	West of Las Vegas Blvd.	7	63,000	85,600	135.9%
Oakey Blvd./Wyoming Ave.	West of Industrial Rd.	4	28,800	36,800	127.8%
Charleston Blvd.	East of Grand Central Pkwy.	6	50,400	73,600	146.0%
I-515/US-95	East of Rancho Dr.	8	194,400	222,400	114.4%

No Congestion
Low Congestion
Moderate Congestion
Heavy Congestion
Severe Congestion


High-Capacity Transit
Pedestrian Improvements
Policies & Programs
Surface Streets/ Roadways
Freeway Improvements

Recommendations Summary
What Is Included and What Is Not Included

$7B - $12B TIBP Project Costs (including Light Rail Pre-development)

Light Rail Construction and O&M costs are not in the TIBP, as they have potential for alternate funding and financing options

TIBP Recommendations:
7 Project Suites

PROJECT SUITE 1

Enhance Visitor Mobility between McCarran Airport, Resort Corridor, and Downtown

PROJECT
SUITE 2

Improve Pedestrian Safety and Mobility on Las Vegas Boulevard

PROJECT
SUITE 3

Improve Connections Between Convention and Event Facilities

PROJECT SUITE 4

Improve Connectivity Between Core Area and Workforce Population Centers

PROJECT
SUITE 5

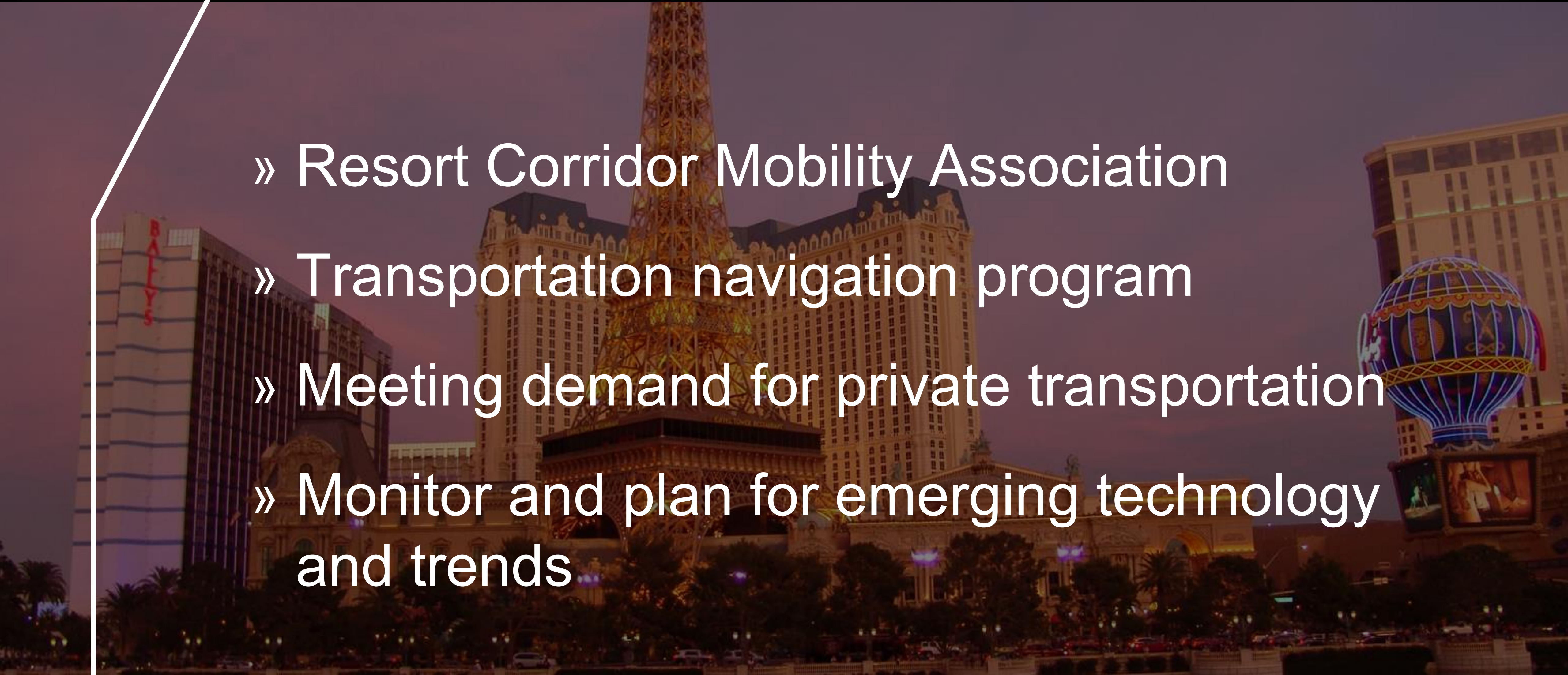
Improve Core Area Access From I-15

PROJECT SUITE 6

Improve Downtown Circulation and Access

PROJECT
SUITE 7

Programs and Policy Actions



- Resort Corridor Mobility Association
- Transportation navigation program
- Meeting demand for private transportation
- Monitor and plan for emerging technology and trends

Moving Forward

Further detail each recommendation

Pursue the funding strategies

Incorporate the projects into their respective plans

Initiate implementation

REGIONAL TRANSPORTATION COMMISSION OF SOUTHERN NEVADA

TIBP

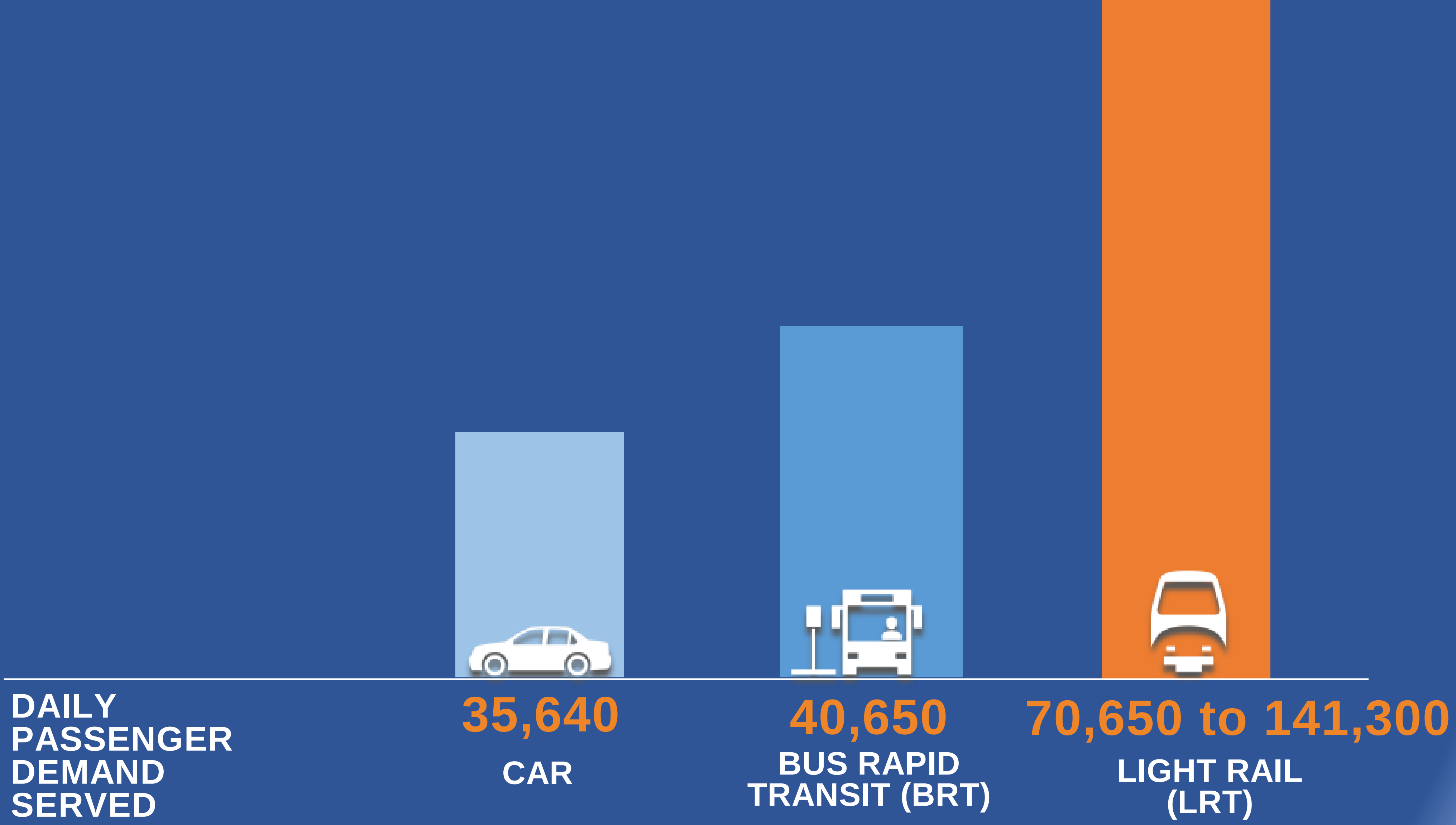
RTC

SOUTHERN NEVADA STRONG

OUR VALLEY. OUR VISION. OUR FUTURE.

Core Area Light Rail

Daily Passengers Served



TIBP

Suite 1: Transit

- Core Area light rail: planning / alternatives analysis, environmental studies and design
- Light rail connection options to airport
- Bonneville Transit Center enhancements, new transit center at Cashman Center
- McCarran Multimodal Transportation Center

Las Vegas Does Transit Well
Farebox Recovery Rates

40,000+ Boardings Per Day

23% of All Ridership

34% of All Revenue

Highly Concentrated

Consistent Patterns

163%

Las Vegas Strip Corridor

Light Rail Next Steps

- » Initiate detailed planning & alternatives development
- » Conceptual design of guideway & station options
- » Identify potential funding sources and develop a detailed financial model
- » Update RTC's transit system master plan

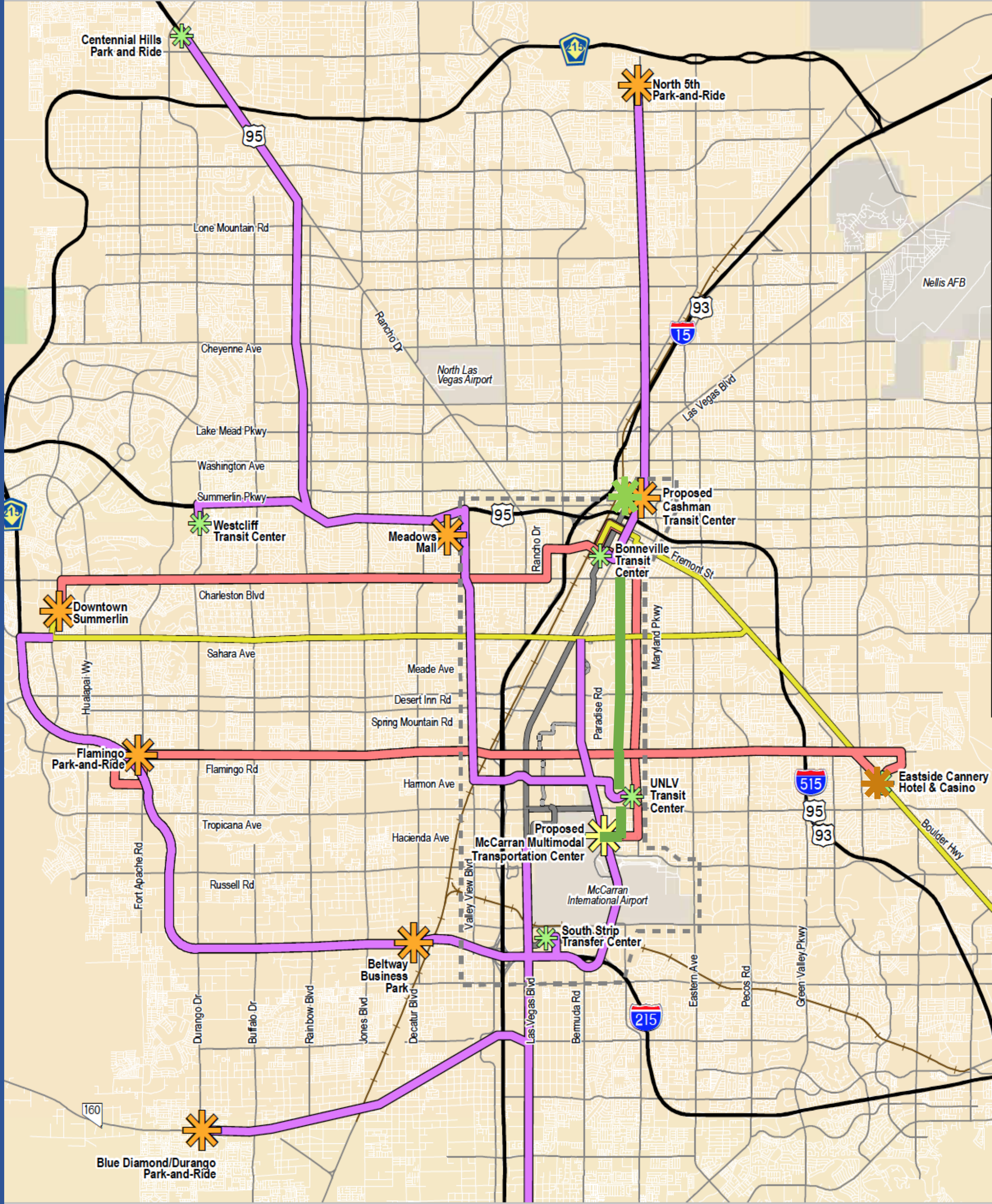
TIBP

SOUTHERNNEVADASTRONG

OUR VALLEY. OUR VISION. OUR FUTURE.

Suite 4: Transit Work force Mobility

- Maryland Parkway Transit
- Regional High-Capacity Transit
- Regional Express Bus
- Transit Center
- Regional Park-and-Ride
- Multimodal Transit Center



Resort Corridor Mobility Association

- Establish a lead entity
- Confirm geographic boundaries
- Assess coordination needs
- Develop governance structure and operations plan
- Enlist participation from public and private sector

Resort Corridor Way Finding

- Designate or establish a lead entity
- Confirm the geographic boundaries
- Develop the scope of services
- Secure funding

CLARK COUNTY

Clark County Projects

Legend

Clark County Projects

PEDESTRIAN RECOMMENDATIONS

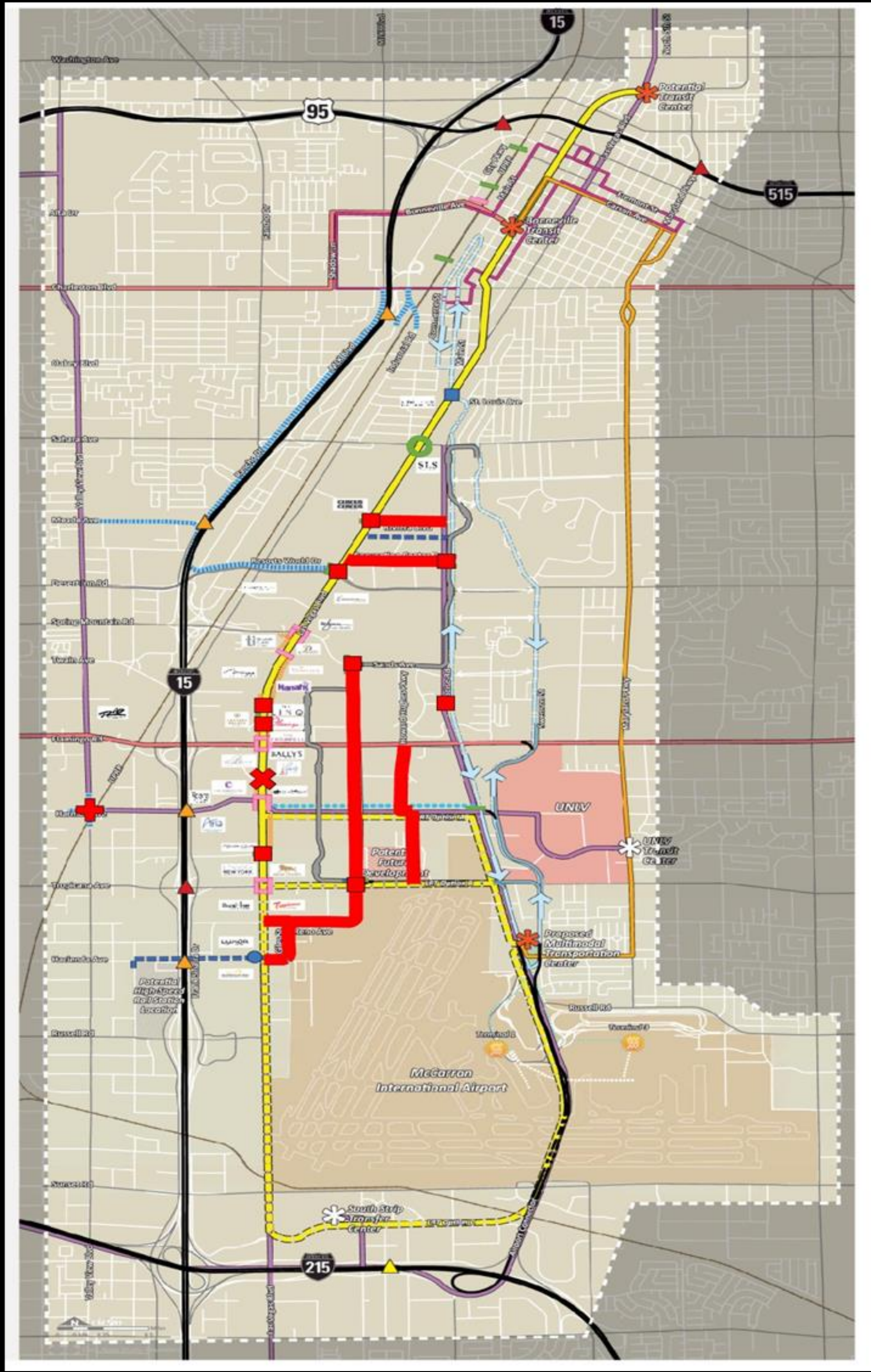
- Existing pedestrian bridges
- New pedestrian bridges
- Circular pedestrian bridge
- Elevated/moving sidewalks

FREEWAY RECOMMENDATIONS

- New/reconfigured interchange
- I-15 direct access HOV ramps
- Direct HOV-lane connection to McCarran International Airport

LOCAL/SURFACE ROADWAY RECOMMENDATIONS

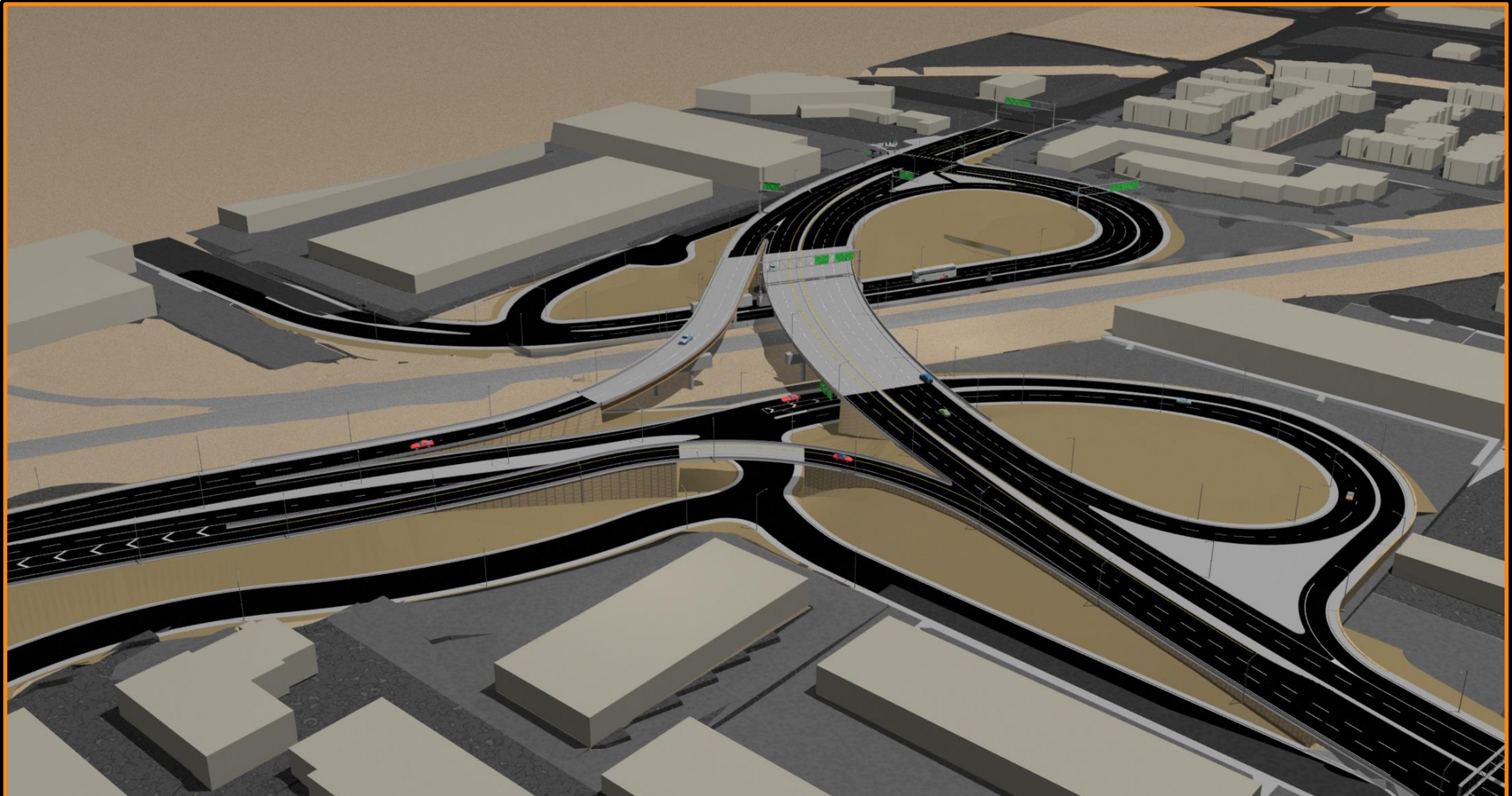
- Connection improvements
- Intersection improvements
- One-way couplets
- Add one travel lane in each direction on Koval Lane
- Elevated one-way couplet system to serve airport traffic
- Develop Complete Streets
- Additional passenger loading area(s)



Harmon / Valley View / UPRR

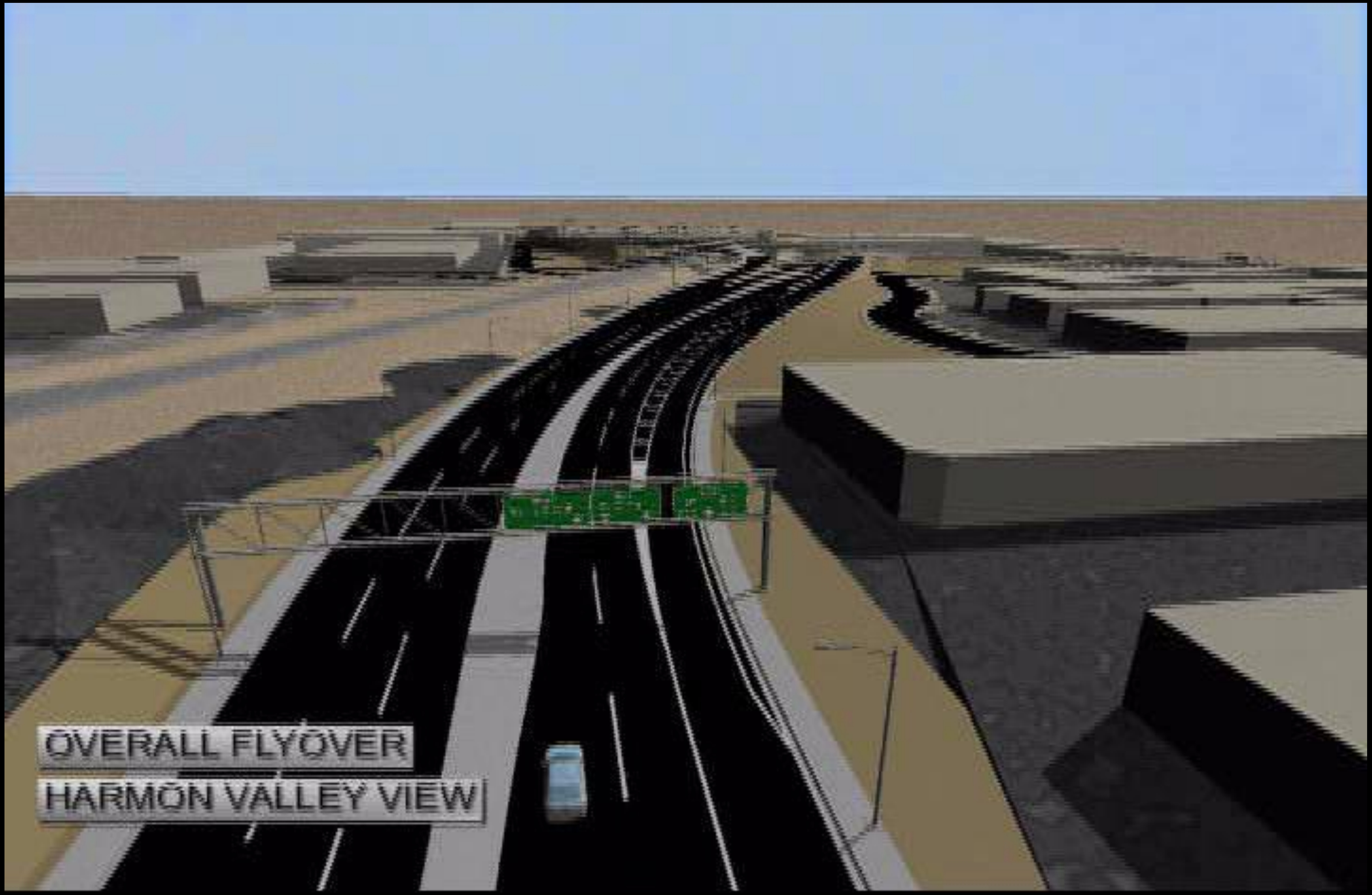
Estimated Cost: $42M

Construction: 2016/2017



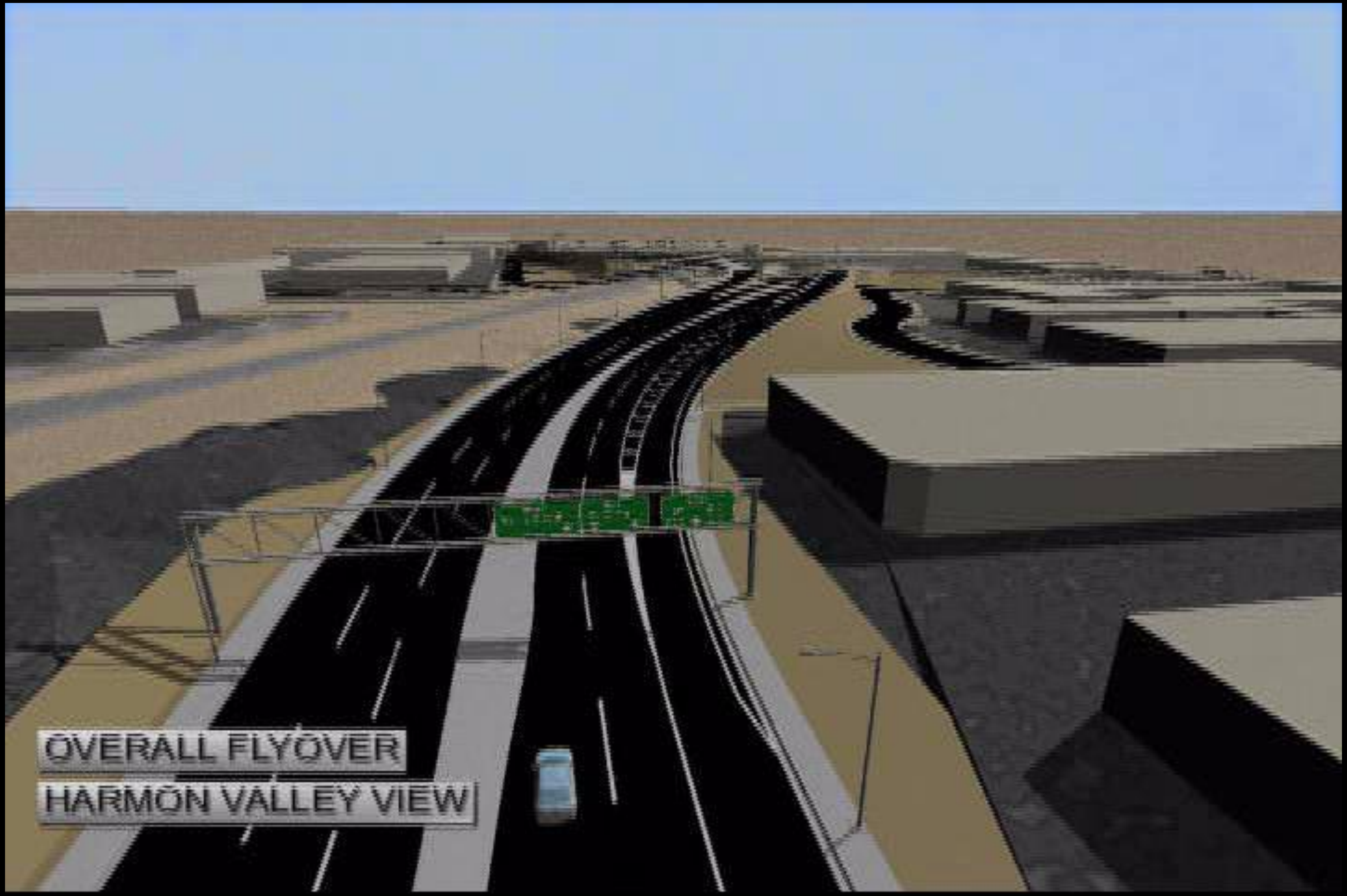
Harmon / Valley View / Union Pacific Railroad Interchange

90% Design Animation



Harmon / Valley View / Union Pacific Railroad Interchange

90% Design Animation

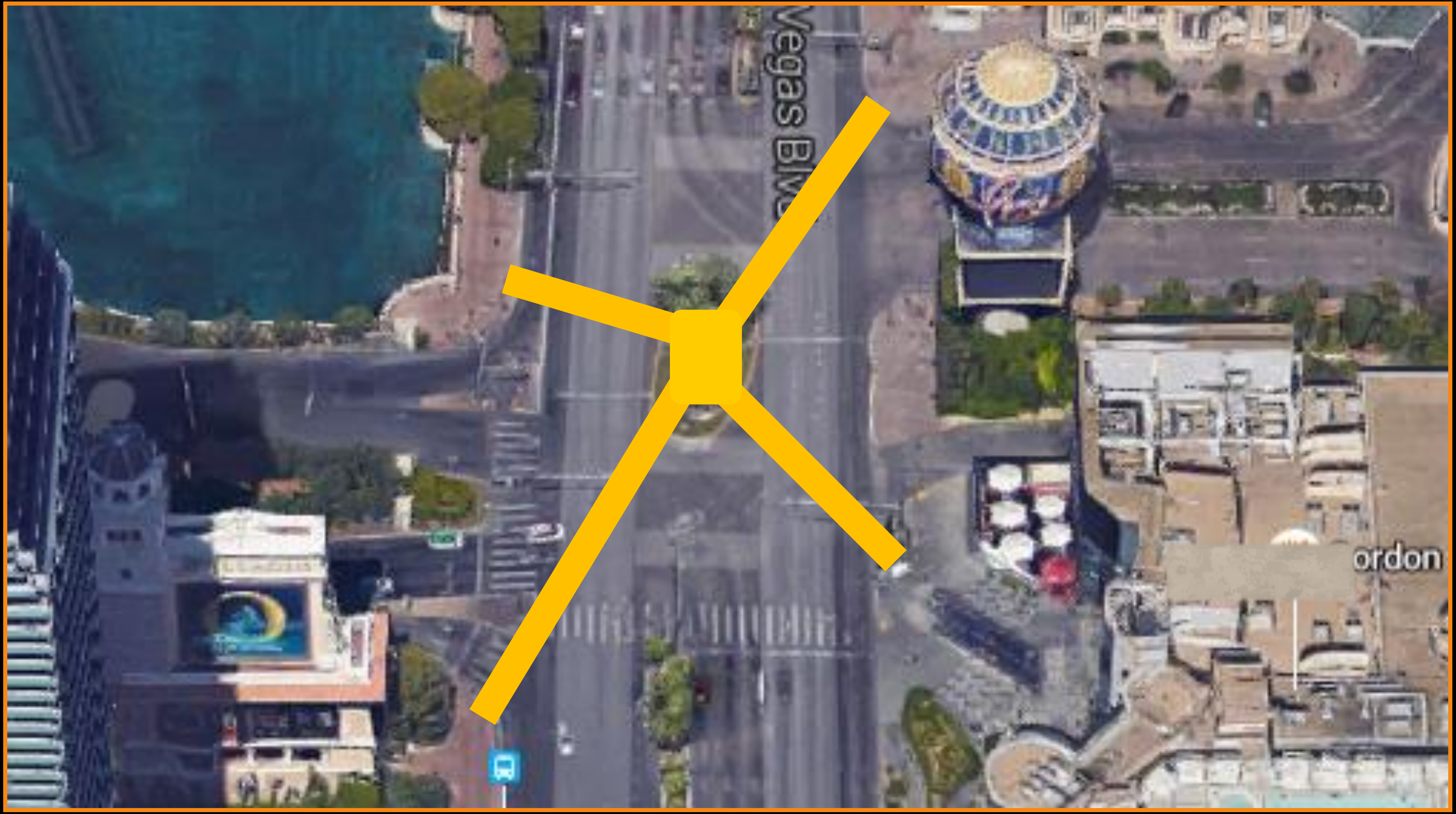


Convention Center Drive

Contract Award: $ 6.1M
Construction Completion: August 2016

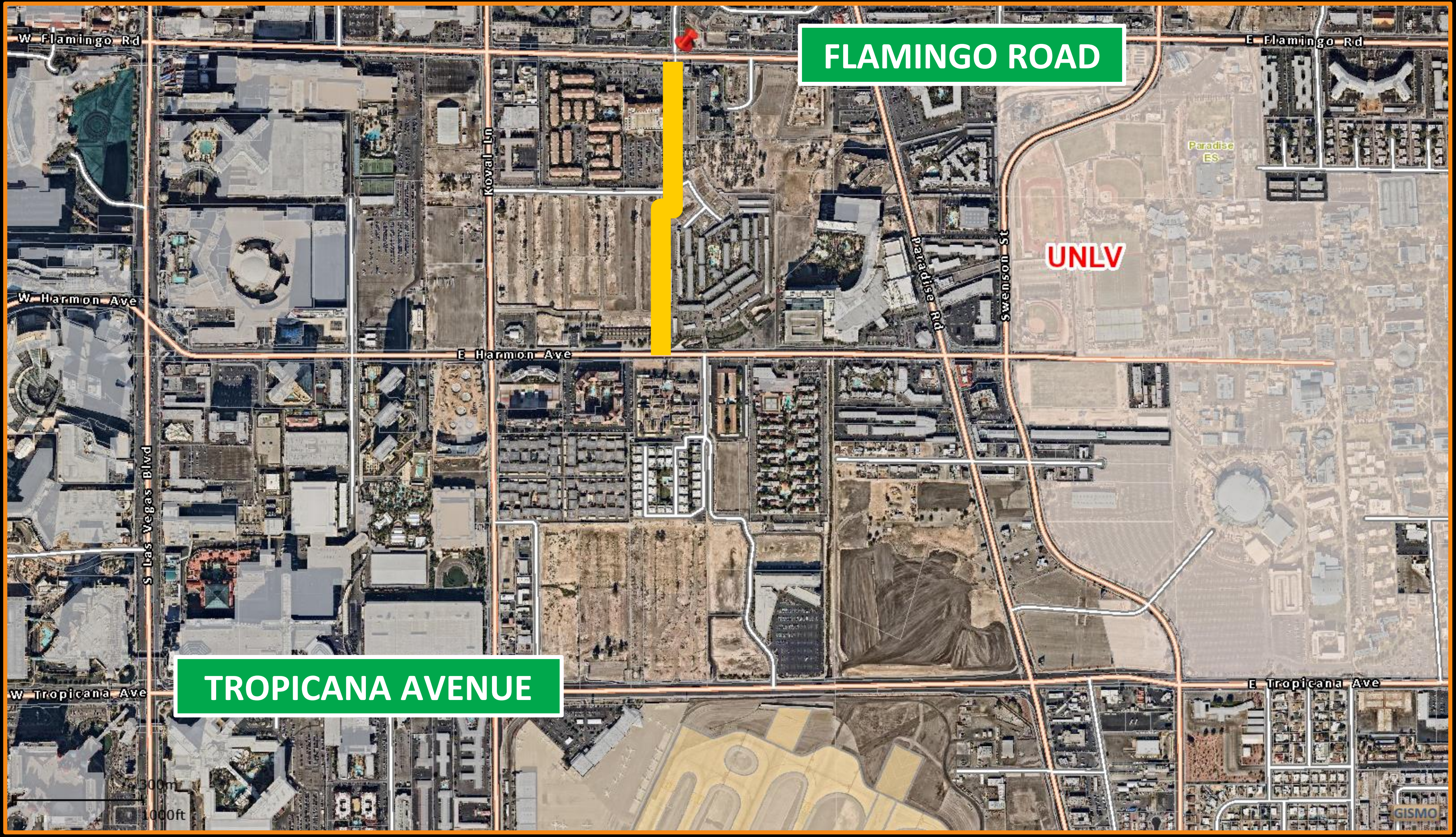
Bellagio – Paris Pedestrian Bridge

Estimated Cost: $30M
Construction Anticipated: 2019/2020



Howard Hughes Extension

Estimated Cost: $500K
Feasibility Study 2016



Las Vegas Boulevard Sidewalks

Estimated Cost: $13M
2016 - 2018

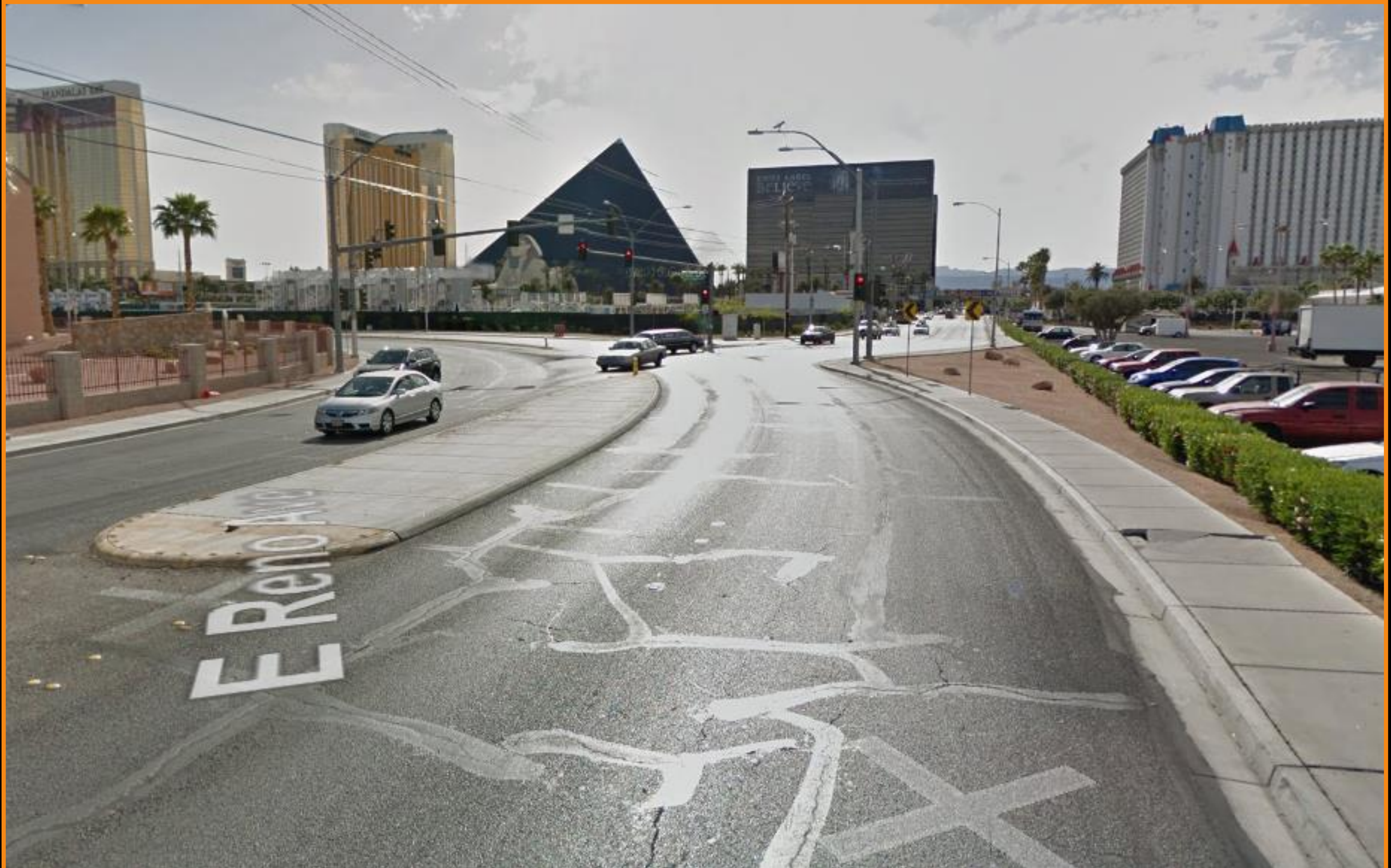
Koval Lane, Tropicana to Sands

Estimated Cost: $5.4M
Construction Anticipated: 2016/2017

Widen & Reconstruct 1.5 Miles

Koval / Reno / Giles

Estimated Cost: $1.7M
Construction: 2017/2018



Airport Express Routes

Estimated Cost: $200M

Airport Express Routes

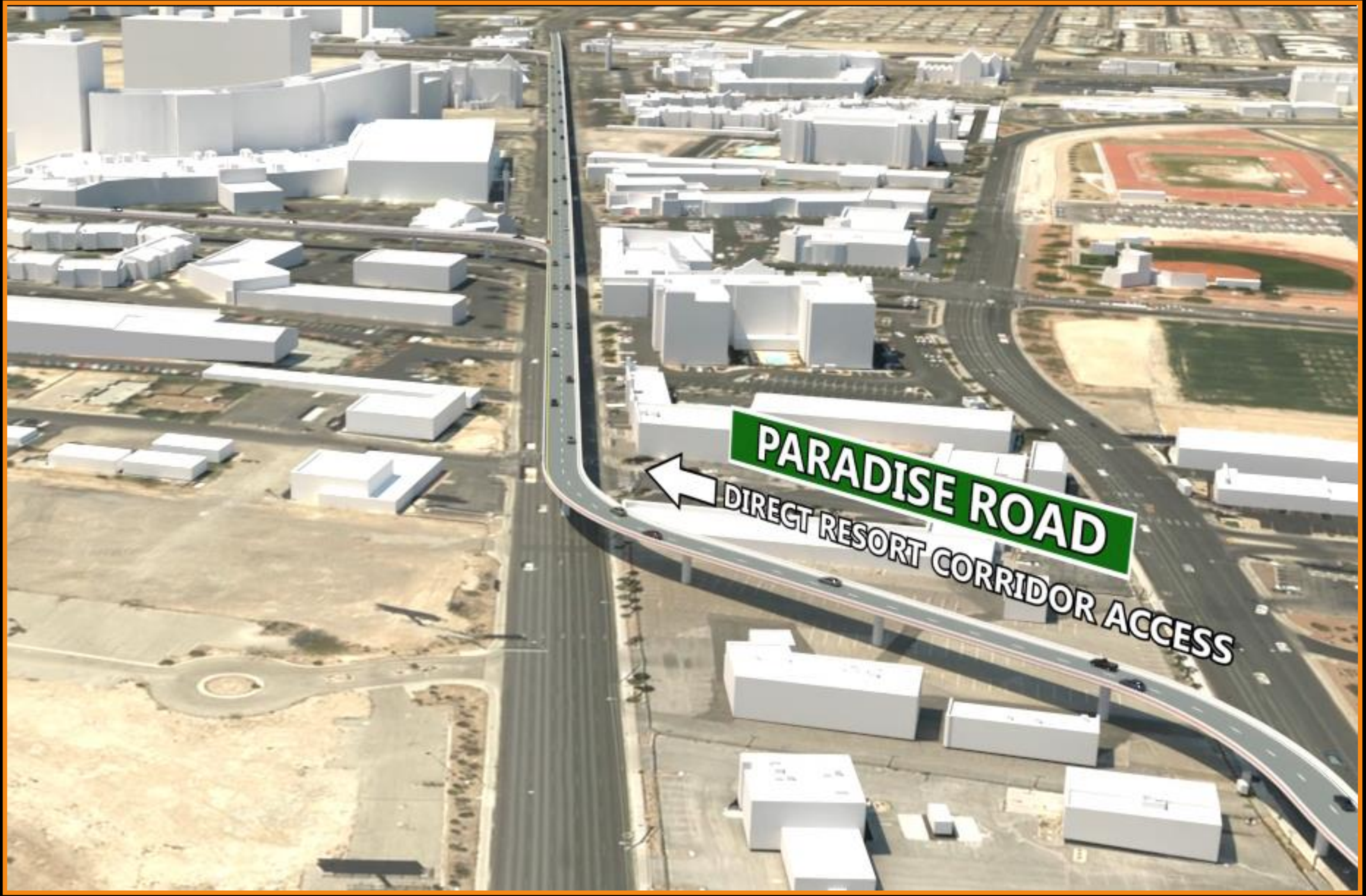
Overall Animation

Airport Express Routes

Overall Animation

Airport Express Routes

Paradise Road – Northbound
Estimated Cost: $92M



Airport Express Routes

Paradise Road – Northbound Animation

Airport Express Routes

Paradise Road – Northbound Animation

Airport Express Routes

Koval Lane – Southbound
Estimated Cost: $108M

Airport Express Routes

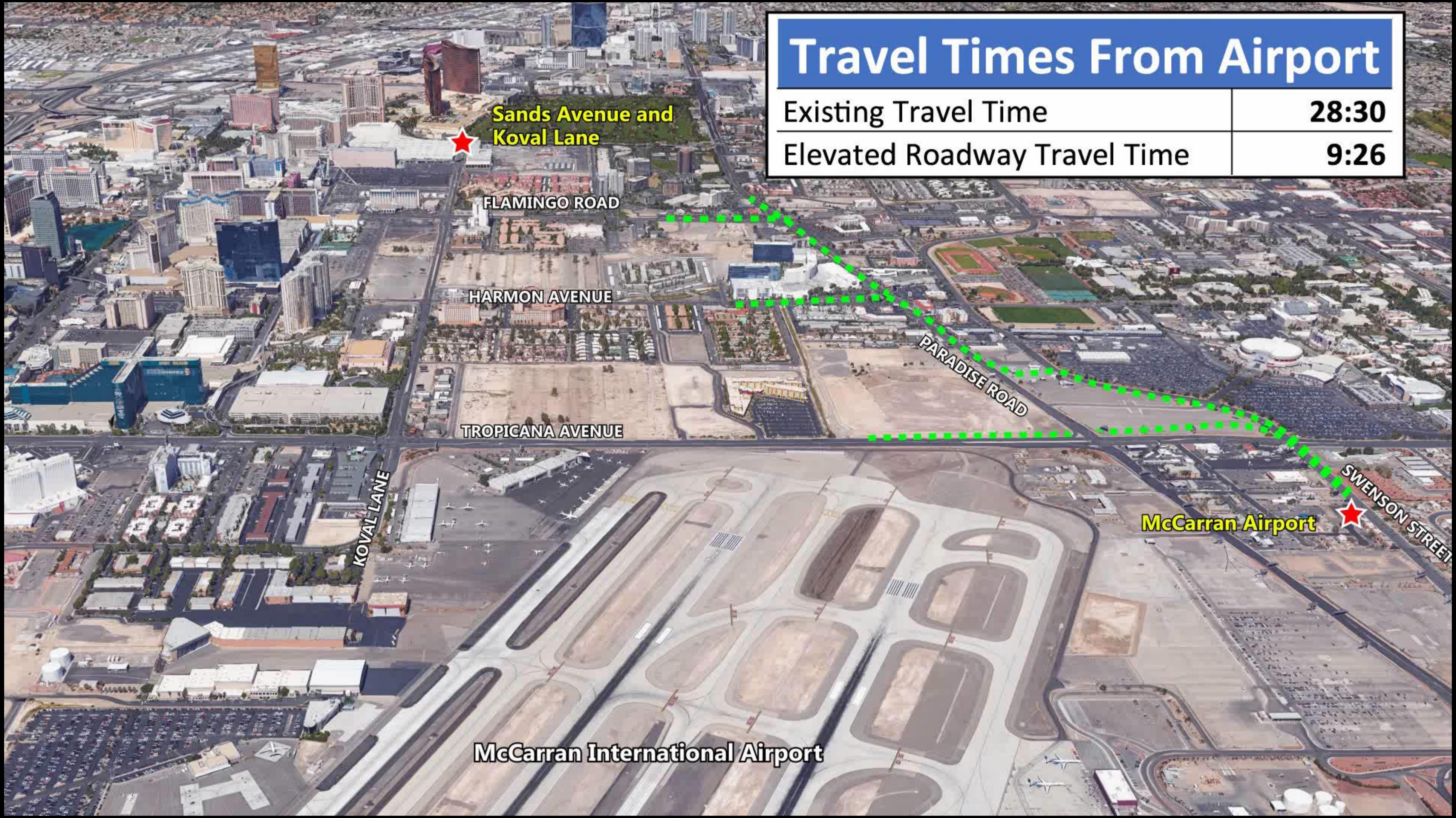
Koval Lane – Southbound Animation

Airport Express Routes

Koval Lane – Southbound Animation

Airport Express Routes

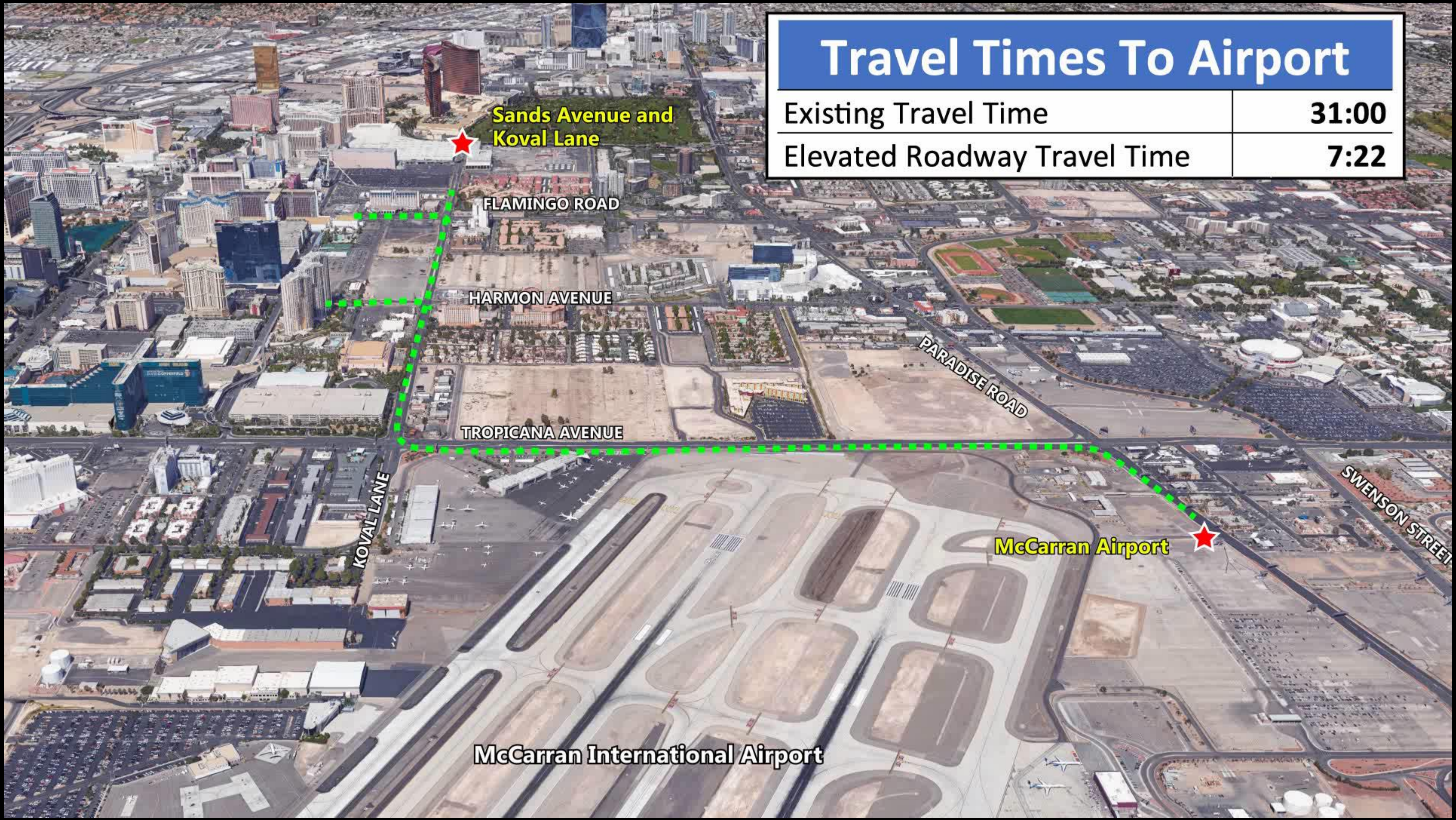
Travel Time Comparison



Travel Times From Airport	
Existing Travel Time	28:30
Elevated Roadway Travel Time	9:26

Airport Express Routes

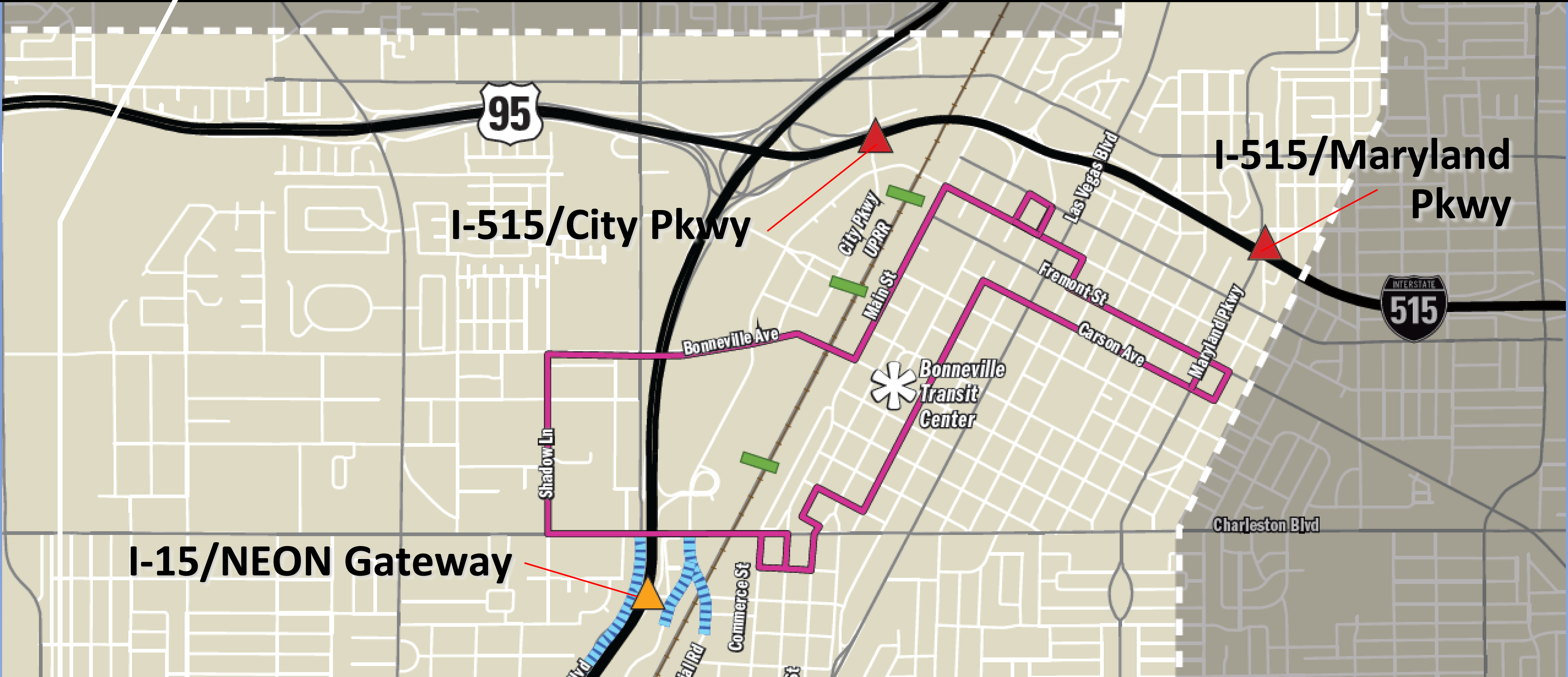
Travel Time Comparison



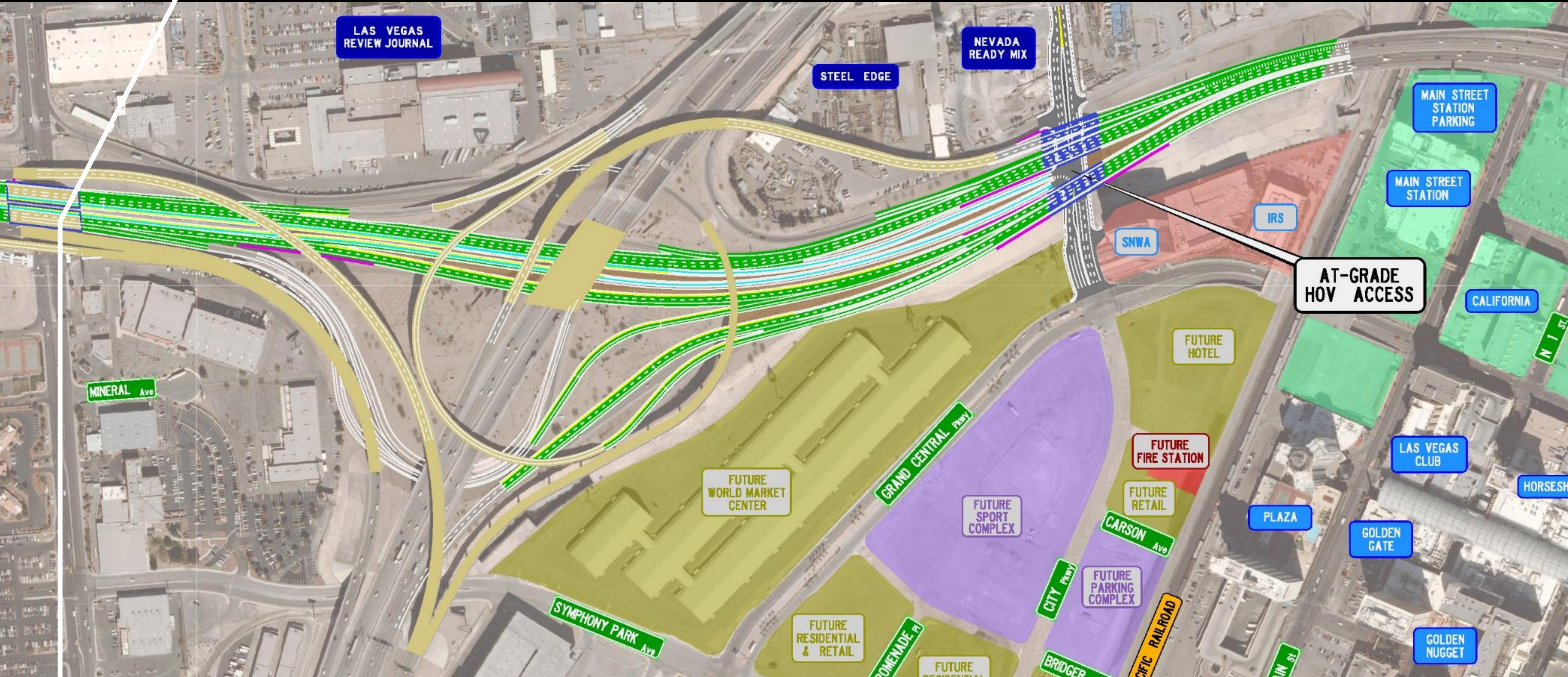
Travel Times To Airport	
Existing Travel Time	31:00
Elevated Roadway Travel Time	7:22

CITY OF LAS VEGAS

Freeway Access
Proposed New Interchanges



Freeway Access
Proposed New Interchanges

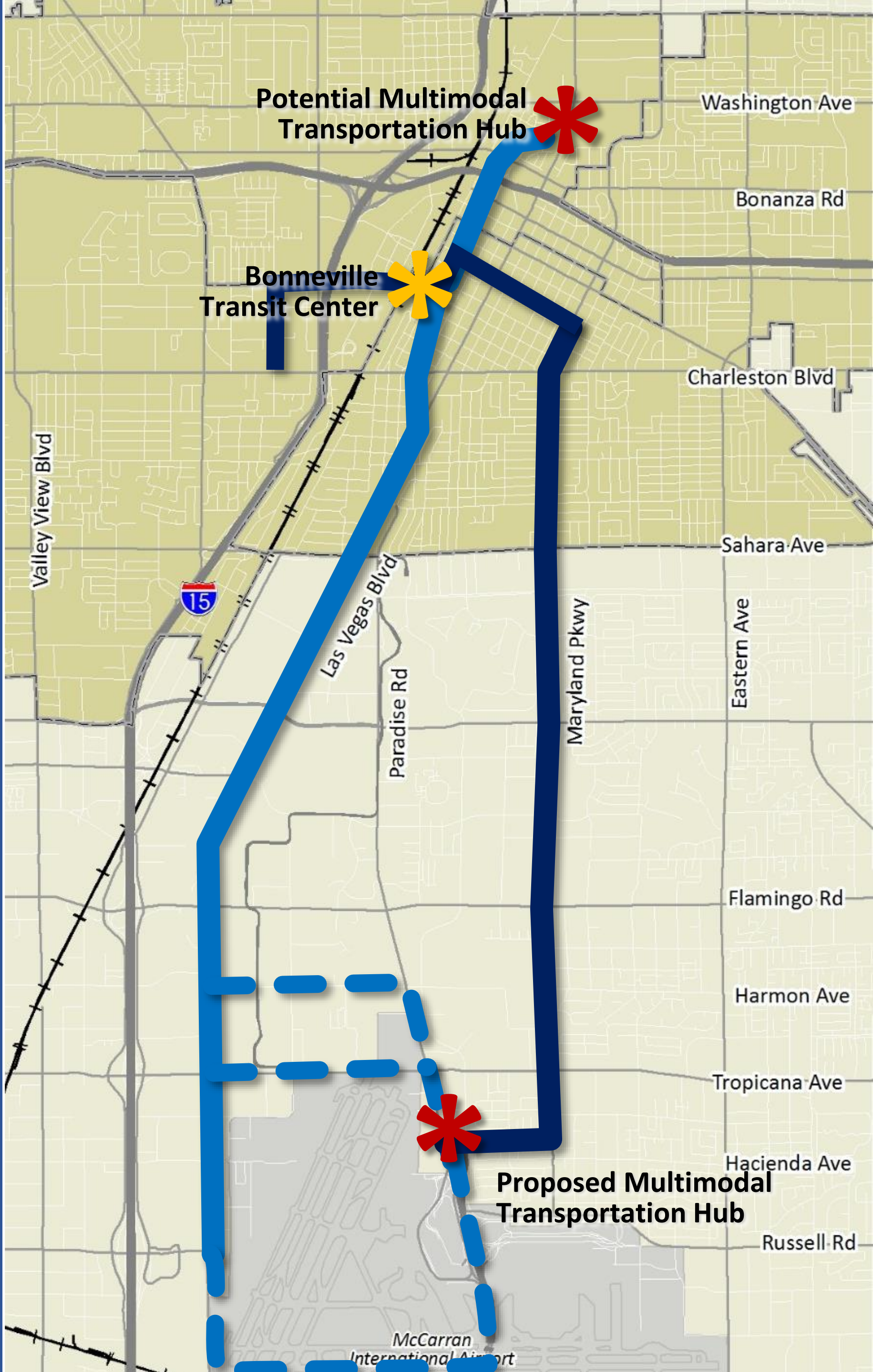


Light Rail Connection

RTC Lead Agency Transit Projects

- Las Vegas Boulevard
  (dashed lines represent Airport connectivity options)
- Maryland Parkway

Initial corridors include approximately **15 miles** of light rail investment



Transit Connectivity for Workforce

RTC Lead:

- Las Vegas Blvd.
- Maryland Pkwy.

CLV Lead:

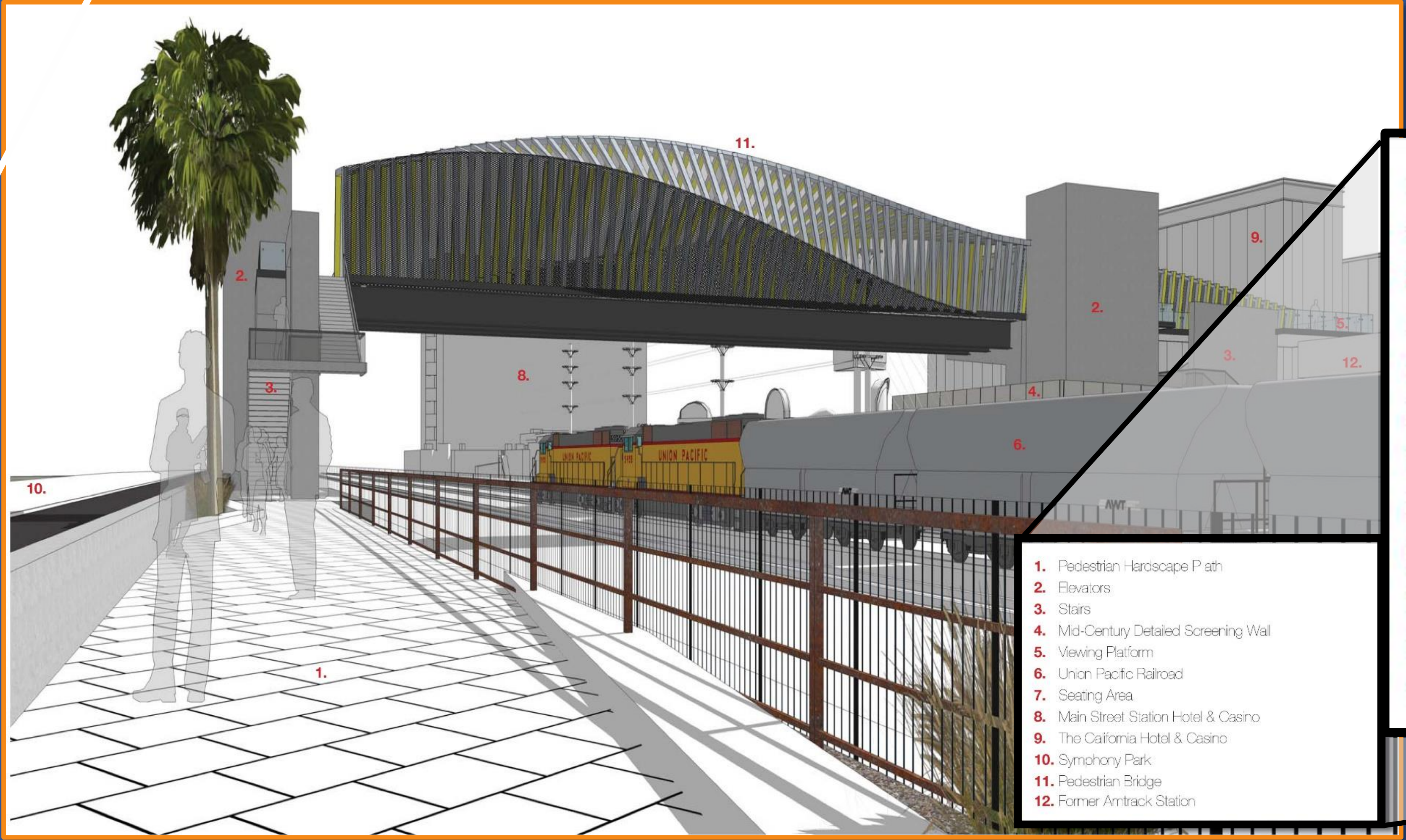
- Rancho Dr.
- Charleston West
- Charleston East

Charleston Blvd Light Rail
Rendering

Main/Commerce St
One-way Couplet

Main/Commerce St
One-way Couplet

Connectivity of Symphony Park to Downtown | North Pedestrian Bridge

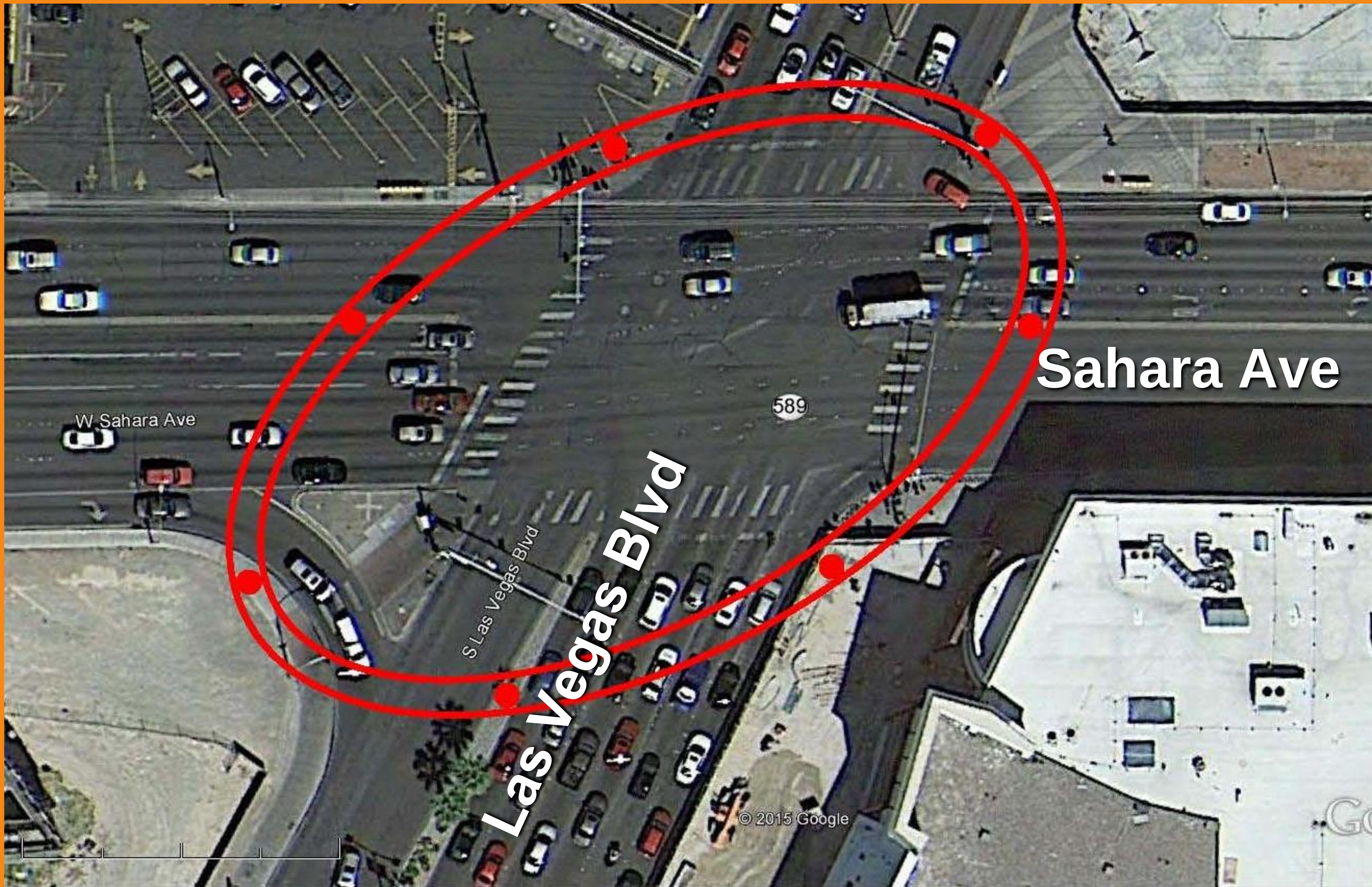


1. Pedestrian Hardscape P ath
2. Elevators
3. Stairs
4. Mid-Century Detailed Screening Wall
5. Viewing Platform
6. Union Pacific Railroad
7. Seating Area
8. Main Street Station Hotel & Casino
9. The California Hotel & Casino
10. Symphony Park
11. Pedestrian Bridge
12. Former Amtrack Station

Connectivity of Symphony Park to Downtown | Bridge to Symphony Park

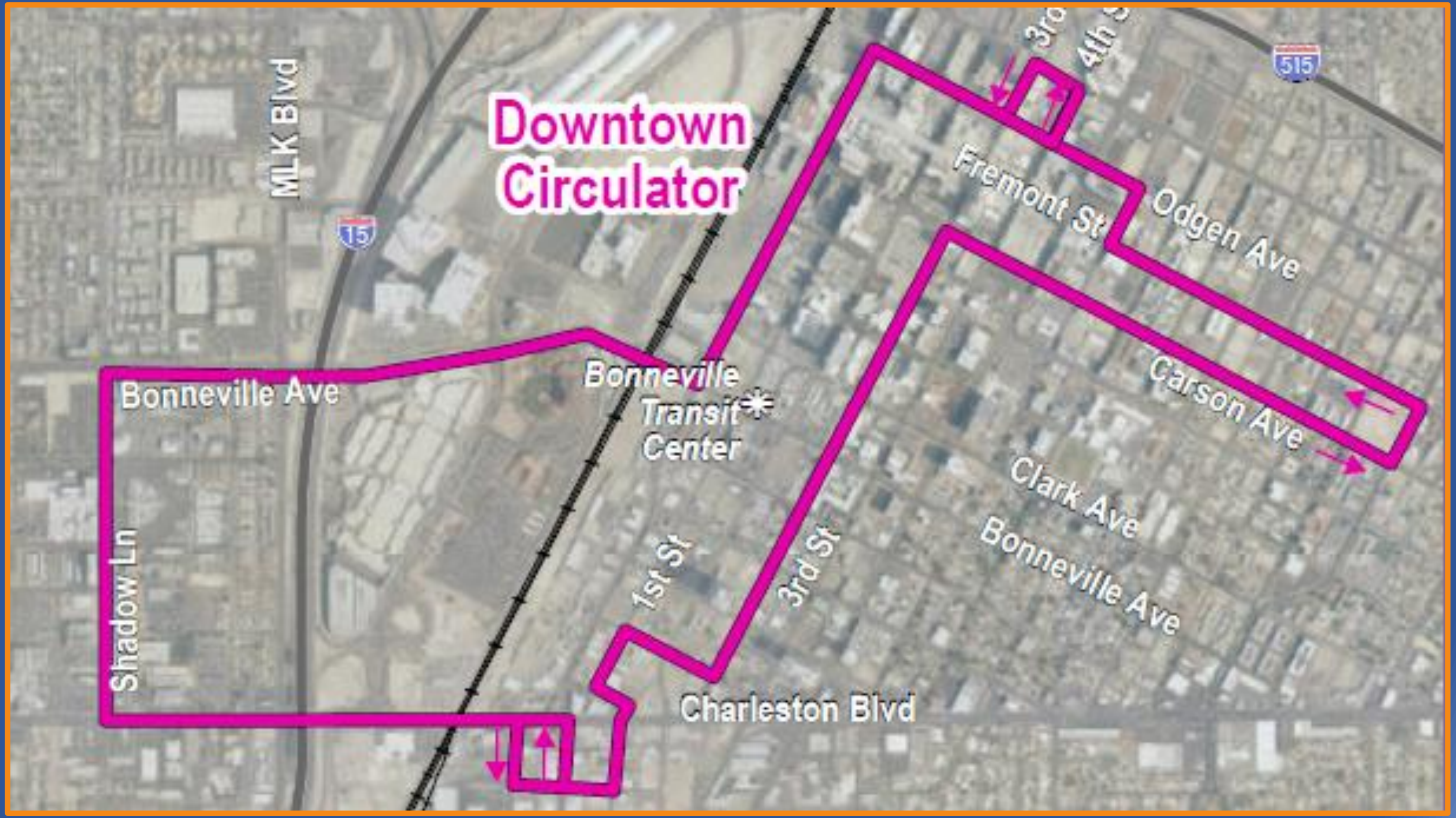
Connectivity of Symphony Park to Downtown | Bridge to Symphony Park

Gateway Entry Pedestrian Bridge over Sahara Ave



Downtown Circulator

- Connects key destinations
- Reduces vehicular congestion
- Provides alternative for short trips

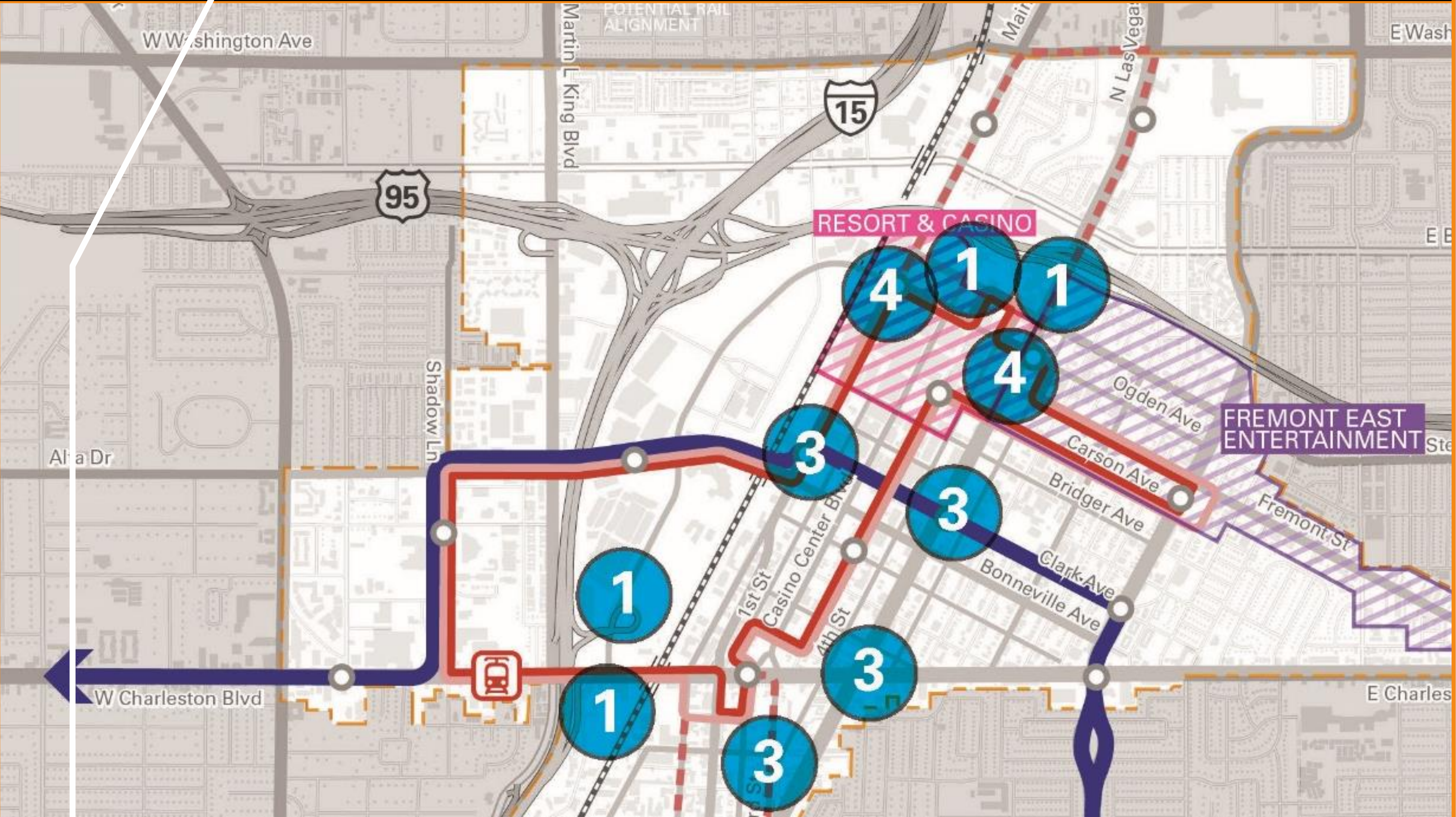


Downtown Circulator

Evaluated various technologies

- » Urban gondola
- » Passenger rapid transit
- » Aerial tram
- » Rubber tired vehicles

Wayfinding Districts



Downtown Master Plan

NEVADA DEPARTMENT OF TRANSPORTATION

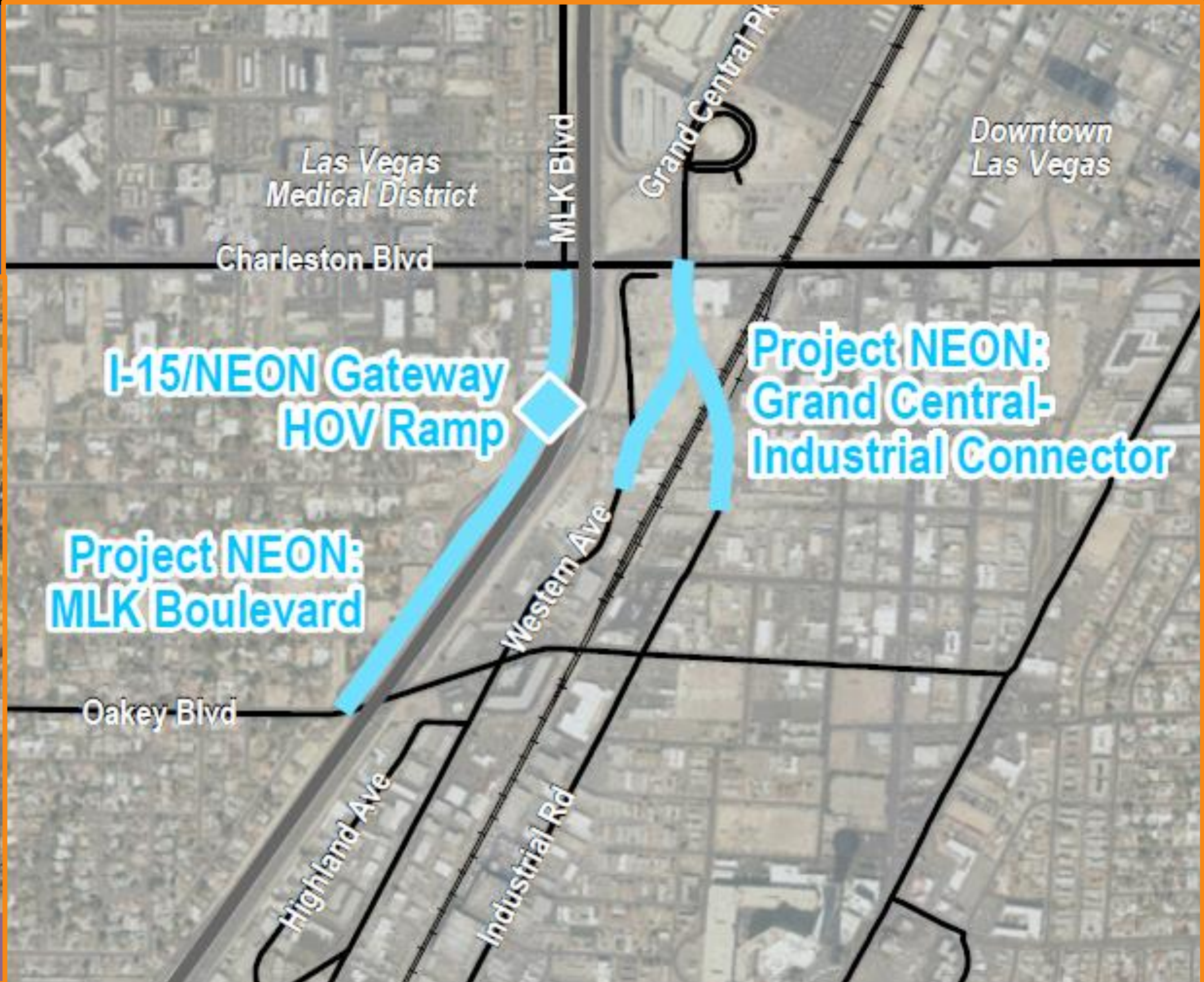
NEVADA DOT

SAFE AND CONNECTED

Project Suite 5: Improve Core Area Access from I-15

Project NEON

Rendering of Project NEON's Direct Access HOV Ramp (NEON Gateway)

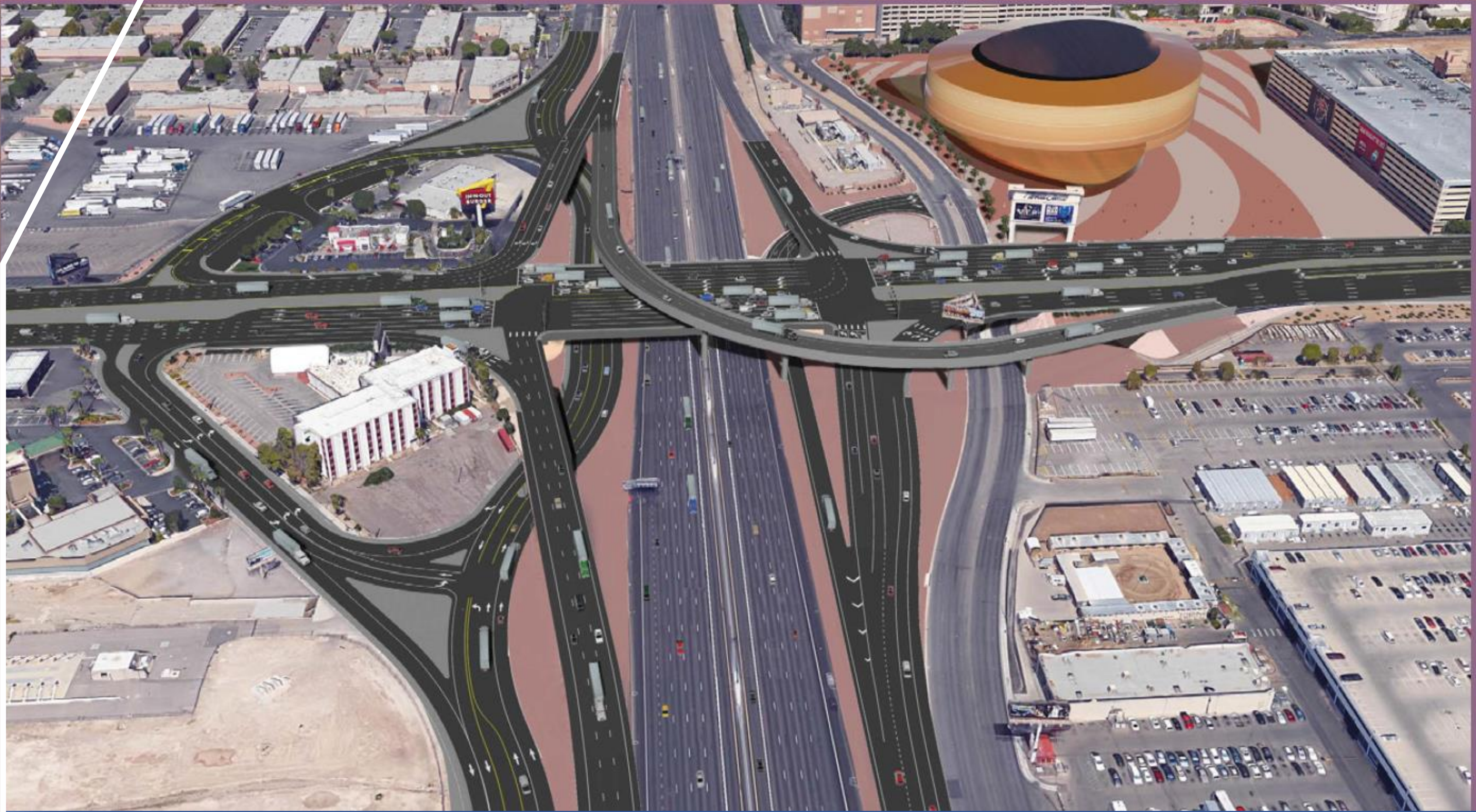


Project Suite 5: Improve Core Area Access from I-15

I-15 Direct Access HOV Ramps (Example)

- »Mead Ave.
- »Harmon Ave.
- »Hacienda Ave.

Project Suite 5: Improve Core Area Access from I-15



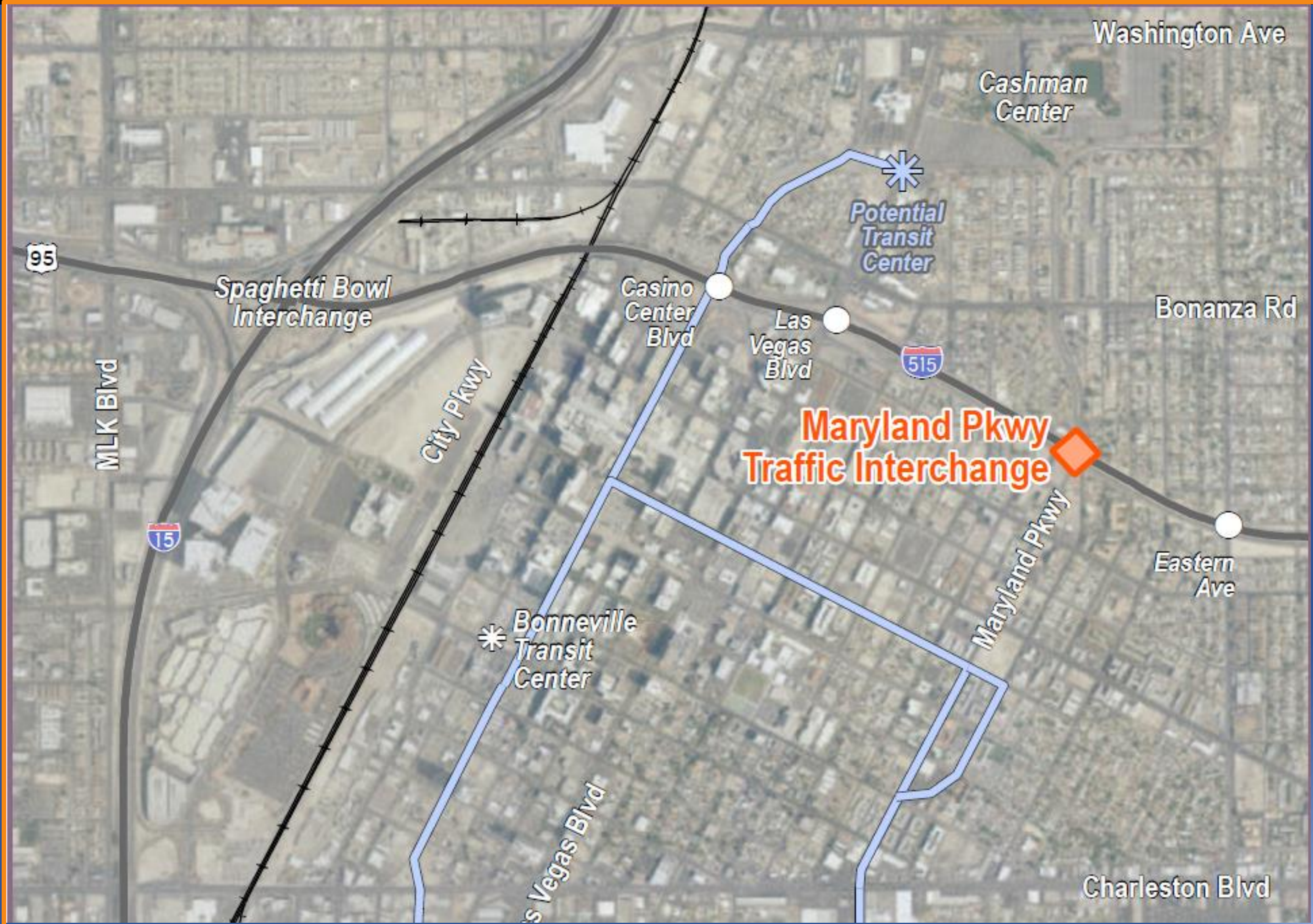
I-15/Tropicana Avenue tight diamond interchange design concept, looking north

Project Suite 5: Improve Core Area Access from I-15

I-215 HOV Direct Airport Connection

Project Suite 6: Improve Downtown Circulation and Access

I-515/ Maryland Parkway Interchange



Project Suite 6: Improve Downtown Circulation and Access

I-515 City Parkway Interchange

City Parkway Direct Access HOV Ramp Concept Sketch

LAS VEGAS MONORAIL

LAS VEGAS MONORAIL®

CURTIS L. MYLES

PRESIDENT & CEO

LAS VEGAS MONORAIL

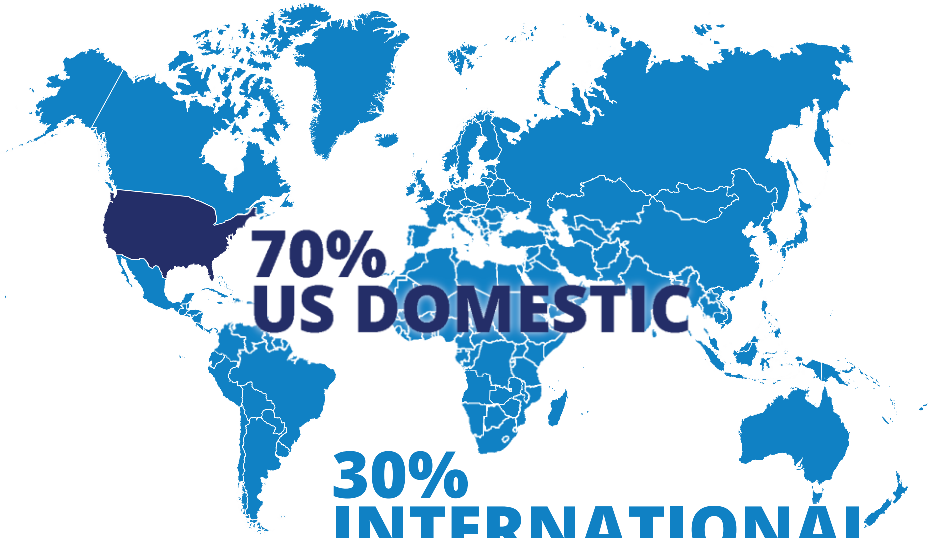
LAS VEGAS
MONORAIL®

PROVIDING MOBILITY

We carry tens of thousands daily, but the biggest mobility impact is during major events.

- CES – 165,000
- SEMA – 160,000
- NAB – 130,000
- Rock in Rio – 100,000+ rides, 28% mode share
- Marathon Weekend – 100,000+ rides
- New Year's Eve – 50,000+ rides
- Concerts & Fights

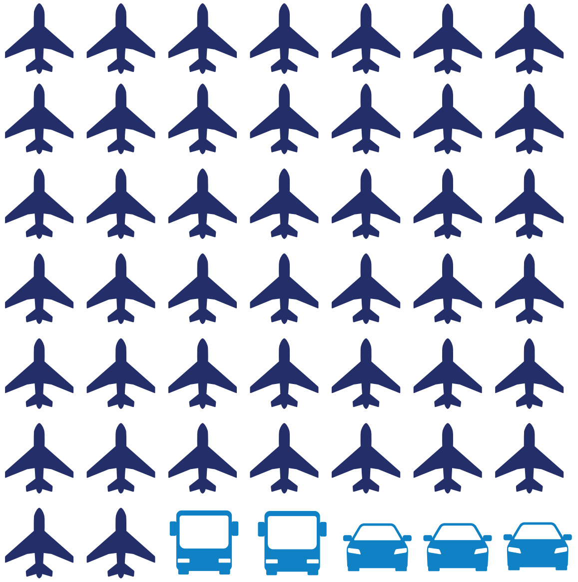
OUR CUSTOMERS
AT A GLANCE



70% US DOMESTIC

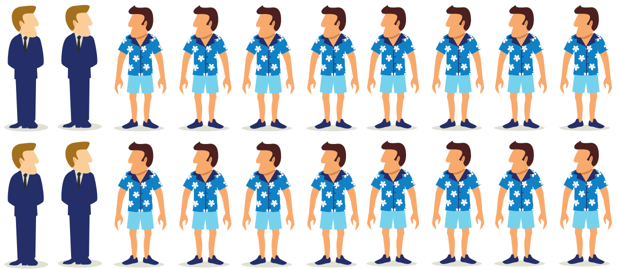
30% INTERNATIONAL

90% FLY TO VEGAS



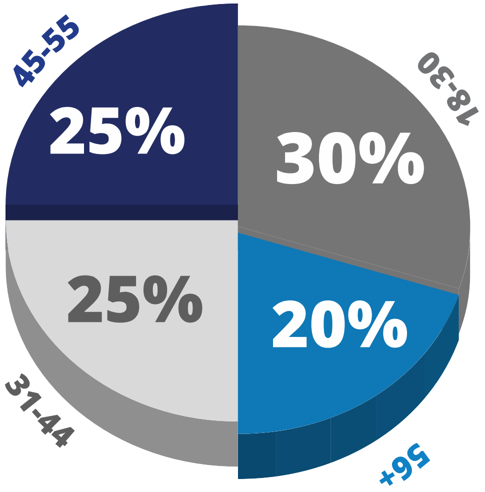
10% OTHER TRANSPORTATION

BUSINESS & CONVENTION 22%



78% LEISURE

DEMOGRAPHICS (AGE)



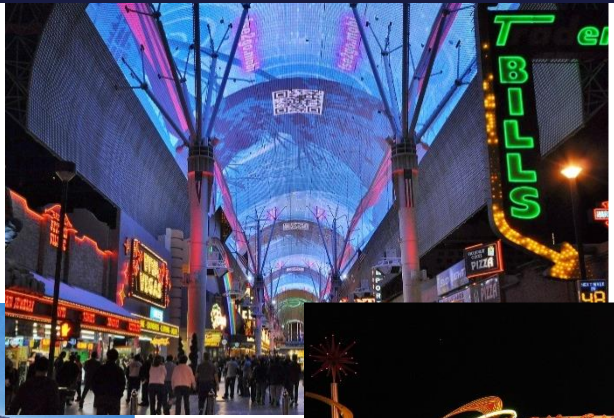
55% STAY AT HOTEL CONNECTED TO MONORAIL

45% STAY WITHIN WALKING DISTANCE OF MONORAIL


How do I get downtown?
IS THIS FREE?
You should include this in the room key!
WHY DOESN'T THIS GO TO THE AIRPORT?
What station do I use to get to Sands Expo?
How do I get to Mandalay Bay?
Does my registration include Monorail access?
WHERE IS [INSERT PROPERTY, ATTRACTION, ETC]?

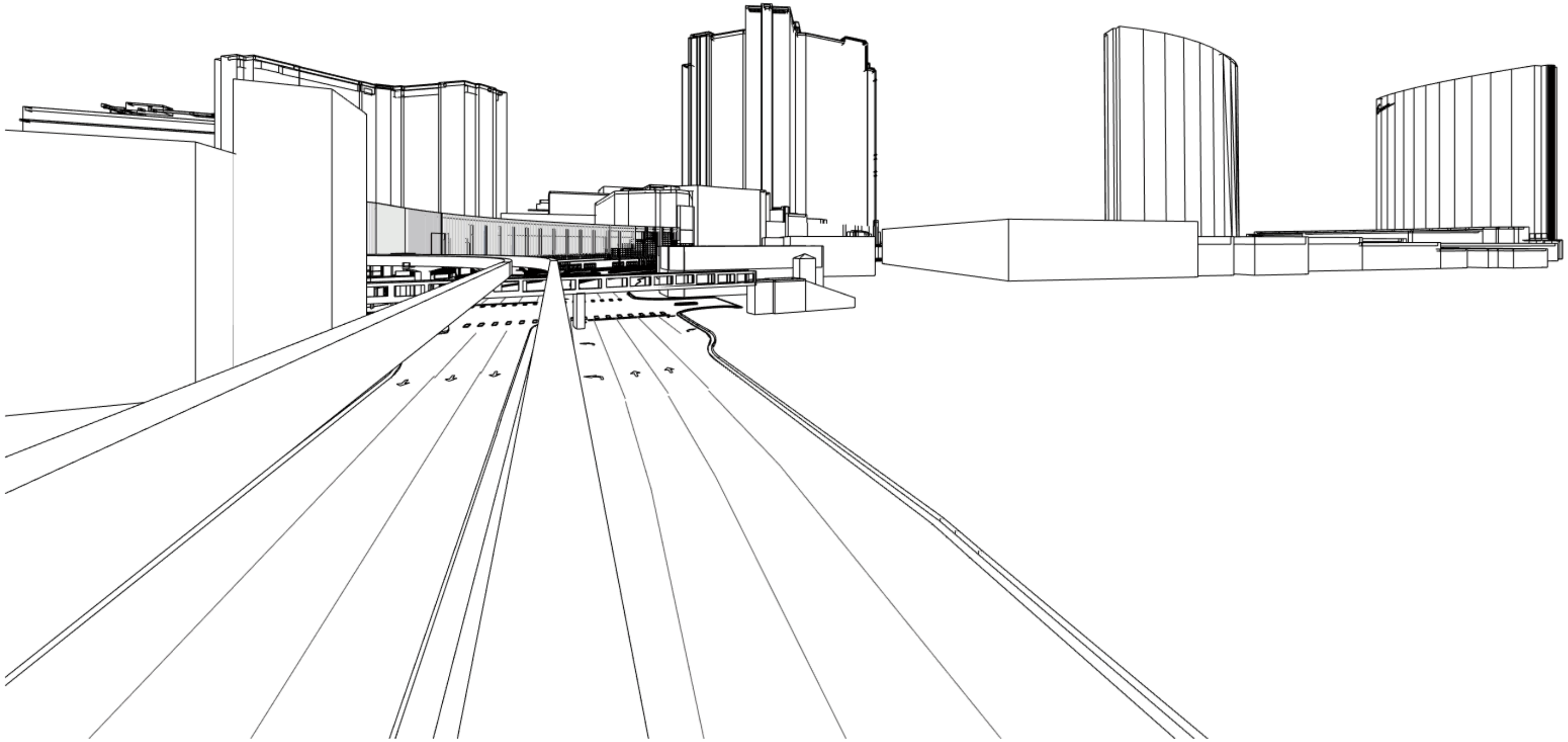
EXPANSION PRIORITIES

- Mandalay Bay (TIBP), Sands Expo & Convention Center (TIBP)
- McCarran Airport, Convention Center Expansion (TIBP)
- Downtown, High Speed Rail Connection (TIBP)



SANDS EXPO

MONORAIL CONNECTION



SANDS EXPO

MONORAIL CONNECTION

SANDS EXPO

MONORAIL CONNECTION

DEVELOPMENT CONSIDERATIONS

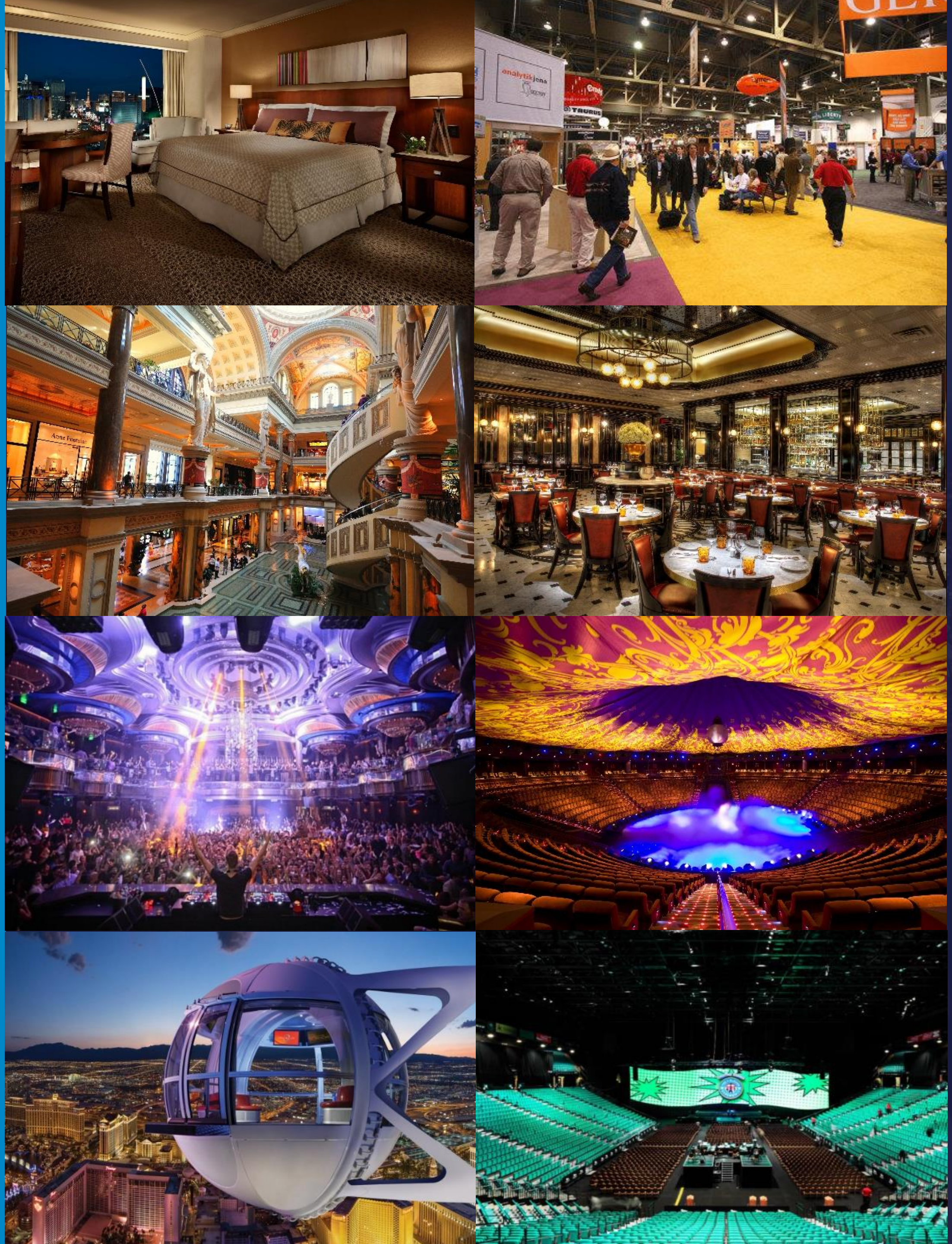
MANDALAY BAY
- How to facilitate expansion to high speed rail?
- How to facilitate airport connection?

SANDS EXPO & CONVENTION CENTER
- Station location: Koval vs Sands Ave.?
- Connection integration?

MCCARRAN AIRPORT
- Planning must be considered in Mandalay Bay extension
- Location of station(s)
- 8-car trains?

MANDALAY BAY EXTENSION DEVELOPMENT

- Design completion est. – December 2016
- Construction, testing & commissioning est. – 24 months
- Approx. 1 mile of new guideway
- Airport extension switches?
- 2-3 additional trains
- 1 station; high speed rail connection?
- 4 minute peak headways



THE CONVENTION CONNECTION

With stations at Mandalay Bay and Sands Expo & Convention Center, the Monorail will be directly connected to:

- 41,000 hotel rooms
- 8M square ft. of convention & meeting space
- 223 retail venues
- 195 dining venues
- 70 nightlife & bar venues
- 42 shows & concert, event & show venues
- 15 unique attractions & experiences
- 2 arenas


Exit/Elevator
Escalator/Stairs
SOUTHB
ENTRANCE
Hisense
CURVED TV

QUESTIONS?

XPRESSWEST

HSR between Las Vegas and LA

A phased approach takes advantage of existing and future transportation infrastructure

- Phase I: Build the initial system between Las Vegas and Victorville - close to the critical mass of SoCal to address the immediate need.
- Phase II: Extend the system to Palmdale to interface with existing commuter rail service
- Phase III: Provide one-seat high speed rail service between Los Angeles / Burbank and Las Vegas.

Phase I: Las Vegas to Victorville

A Federally Approved Interstate Railroad

- **185 miles** between Southern California and Las Vegas
- Primarily within or adjacent to the I-15
- Exclusive new double track
- No at-grade crossings
- Passenger only service
- End-to-end travel time **under 80 minutes**
- Non-stop service **every 20 minutes** during peak times
- **Average ROUNDTRIP fare of under $100**
- Fully electric, standard gauge, multiple unit trains that would enable interoperability with CHSR

Phase II and III
Connecting Las Vegas to California by Rail

» Spring, 2012: The HDC JPA, LAMETRO, and SANBAG approved including high speed rail in the HDC EIS/EIR. SCAG named XpressWest from Palmdale through Victorville to Las Vegas as a Major Strategic Plan Project

» Spring, 2014: The CHSRA initiates environmental approval process for HSR service between LAUS, Burbank, and Palmdale

» Fall, 2015: San Bernardino County, LA County, CHSRA and XpressWest agree to jointly fund an investment grade rail ridership and revenue study for HSR between Las Vegas and LA.

Las Vegas Station
Multi-Modal Connectivity in the Heart of the Resort Corridor

- The Federal EIS approved two station locations in Las Vegas
- Central Station B: West side of I-15 across from City Center bordered by Flamingo Road, Polaris Drive and Harmon
- Southern Station: West side of I-15 across from Mandalay Bay between West Russell Road and West Hacienda Drive
- A life cycle operations, maintenance cost benefit analysis is being completed to finalize the Las Vegas Station location
- XpressWest is committed to working with the RTC, Clark County and Las Vegas stakeholders to ensure a multi-modal, connected station to accommodate buses, limos, shuttles, taxis, rental car and pedestrian access

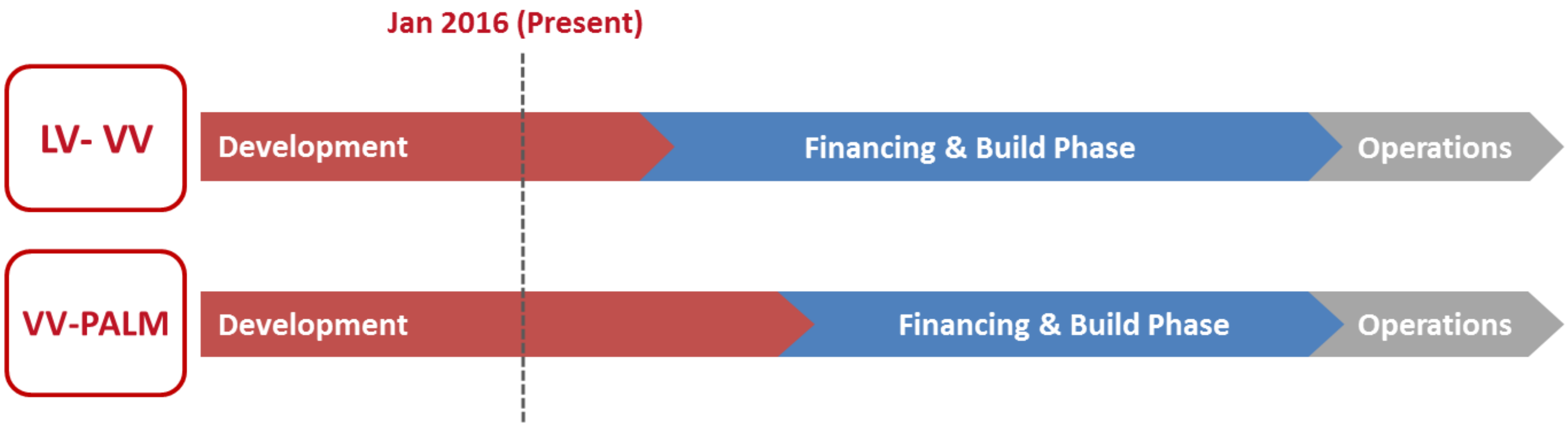
Las Vegas Station

XpressWest Implementation
Current Status

Project Element	Status
Federal environmental permits	✓
Certificate of public convenience and necessity – the Federal authorization for construction and operation	✓
Federal authority to obtain necessary right-of-way	✓
Investment grade ridership and revenue studies that support a viable plan of finance with or without consideration of a US Federal Loan (RRIF)	✓
Selection of a Joint Venture Partner with the requisite experience, financing capacity, and commitment to the success of the XpressWest project	✓
Investment grade ridership study commenced for Las Vegas to Los Angeles, Anaheim, and Northern California	✓

XpressWest Implementation

Next Steps: 60-month schedule from an anticipated start in Fall, 2016



Development Phase Scope

- Permits
- EIS
- Due diligence
- Design
- Financing
- Procurement

Financing & Build Phase Scope

- Financing
- Consortium
- Final Design
- Construction
- Commissioning

Operating Phase Scope

- Marketing
- Operations
- Maintenance
- Rehabilitation


THE ROAD AHEAD

FUNDING MODELS

TIBP Project Costs

Table 7-1:

TIBP Total Cost

(Project Costs in Millions)

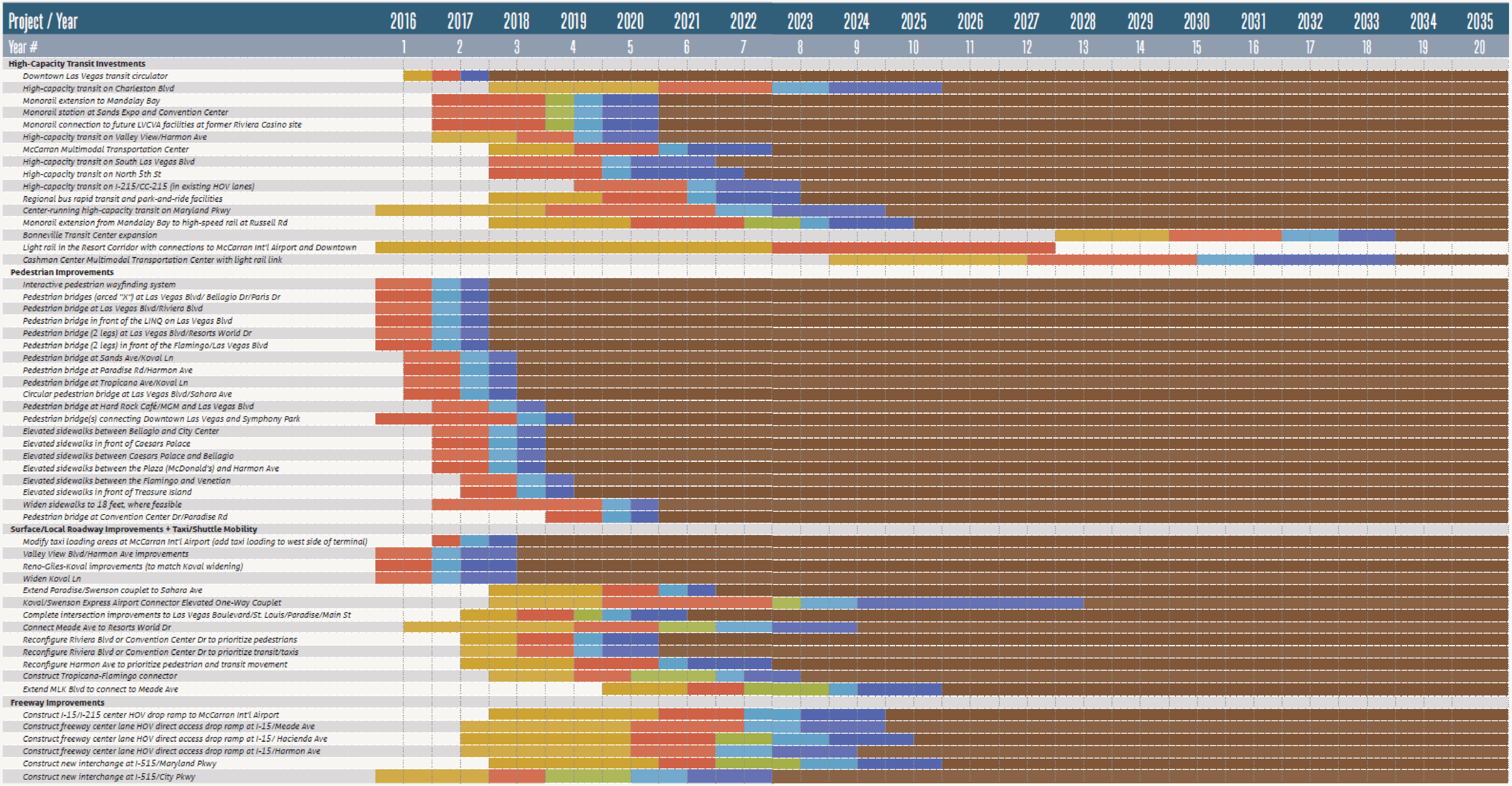
	Constant 2015 Dollars		Inflation-Adjusted, Year-of-Expenditure Dollars	
	Low-Cost	High-Cost	Low-Cost	High-Cost
Planning and Development Costs	$2,247.4	$3,773.7	$3,241.7	$5,525.6
Operations and Maintenance Costs	$1,500.5	$2,543.0	$3,818.0	$6,482.8
Total Project Cost	**$3,747.9**	**$6,316.8**	**$7,059.7**	**$12,008.4**

Table 7-2:

TIBP Total Cost Allocations

	Constant 2015 Dollars		Inflation-Adjusted, Year-of-Expenditure Dollars	
	Low-Cost	High-Cost	Low-Cost	High-Cost
Planning and Development Costs	60.0%	59.7%	45.9%	46.0%
Operations and Maintenance Costs	40.0%	40.3%	54.1%	54.0%
Total Project Cost	**100.0%**	**100.0%**	**100.0%**	**100.0%**

Table 7-6: **Estimated Project Timeline**



Planning/NEPA · Design* · Right-of-Way · Bidding & Const. Mgmt. · Construction · Operations & Maintenance

*Traditionally "design" begins with the planning phase and continues through construction. As shown on this schedule, "design" refers more specifically to the final design phase, which generally commences after environmental approval is received.

If a project is constructed using an alternative delivery method (such as Design/Build), the design process may more iteratively overlap with construction.

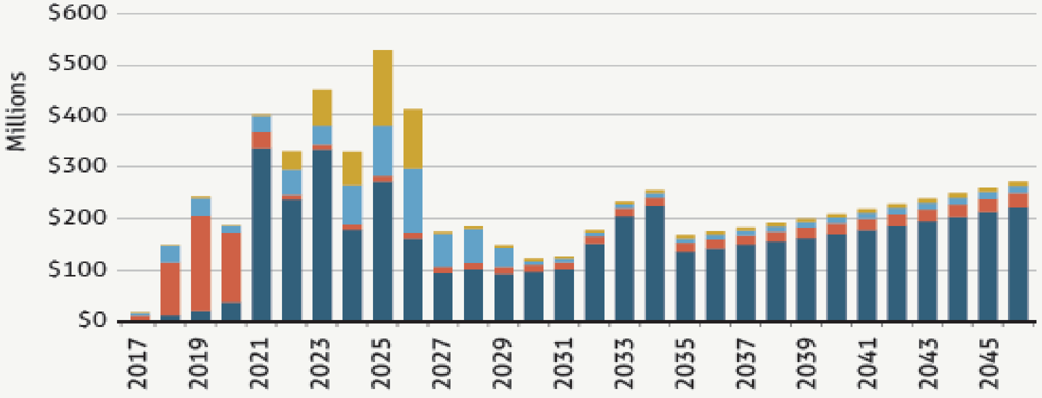
TIBP Project Cost Summary

Figure 7-3:

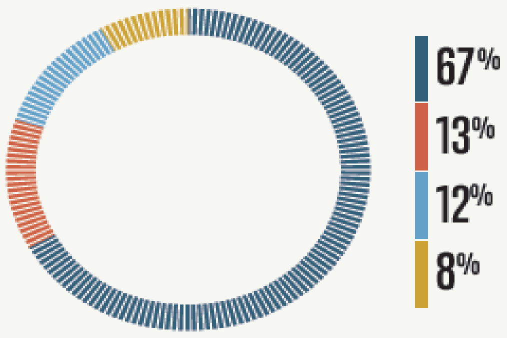
Total Program Costs by Project Type (Low-Cost; YOE Dollars)

$ Amount In Thousands	Near-Term 2017 - 2021	Mid-Term 2022 - 2026	Long-Term 2027 - 2046	Total	%
Project Costs by Project Type					
High-Capacity Transit Investments	$406,072	$1,184,216	$3,174,379	$4,764,666	67%
Pedestrian Improvements	$468,142	$51,135	$367,415	$886,693	13%
Surface/Local Road Improv + Taxi/Shuttle Mobility	$112,300	$384,795	$347,642	$844,736	12%
Freeway Improvements	$8,360	$432,173	$123,074	$563,607	8%
TOTAL	**$994,874**	**$2,052,319**	**$4,012,509**	**$7,059,702**	**100%**

Annual Costs Summary ($ Amount in Millions)



Total Costs Breakdown



High-Capacity Transit Investments | Pedestrian Improvements | Surface/Local Roadway Improvements + Taxi/Shuttle Mobility | Freeway Improvements

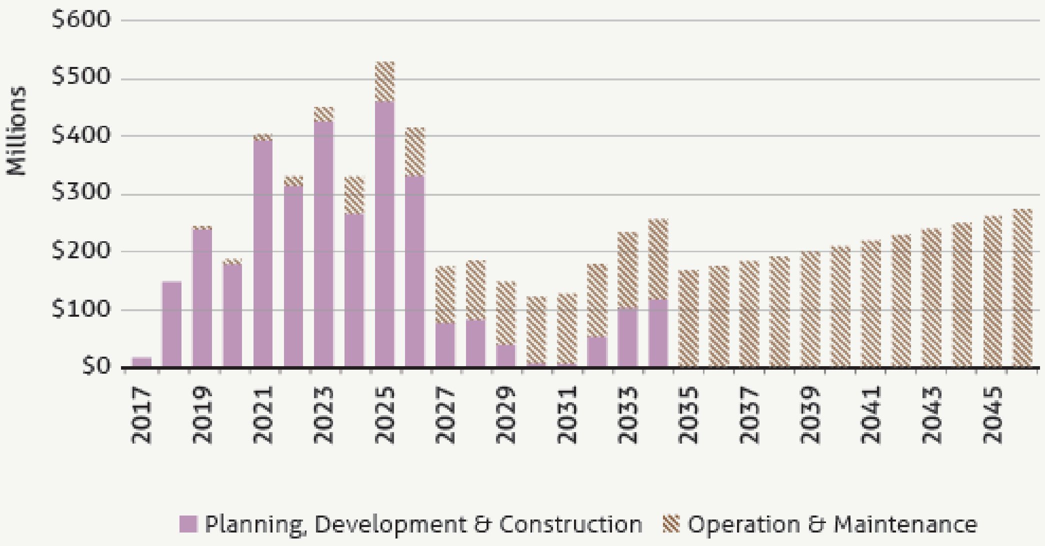
TIBP Project Cost Summary

Figure 7-4:

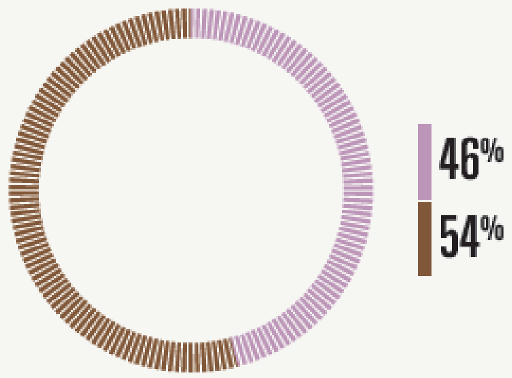
Total Program Costs by Project Phase (Low-Cost; YOE Dollars)

$ Amount In Thousands	Near-Term 2017 - 2021	Mid-Term 2022 - 2026	Long-Term 2027 - 2046	Total	%
Project Costs by Project Phase					
Planning, Development & Construction	$970,596	$1,794,049	$477,012	$3,241,656	46%
Operation & Maintenance	$24,278	$258,270	$3,535,498	$3,818,046	54%
TOTAL	**$994,874**	**$2,052,319**	**$4,012,509**	**$7,059,702**	**100%**

Annual Costs Summary ($ Amount in Millions)



Total Costs Breakdown



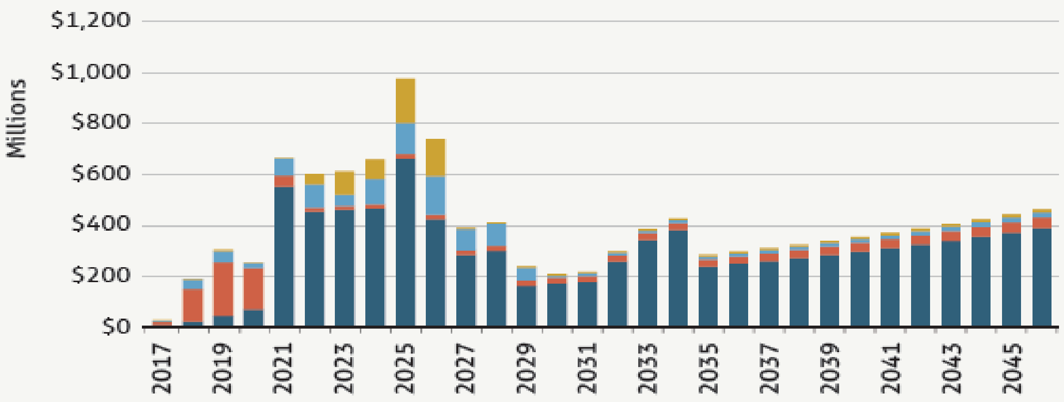
TIBP Project Cost Summary

Figure 7-5:

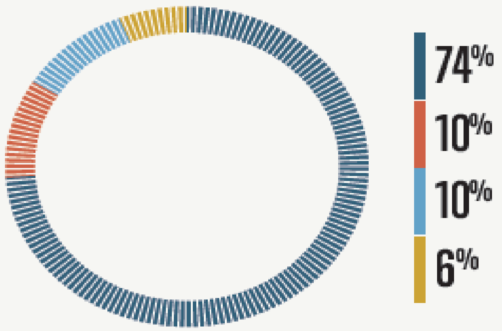
Total Program Costs by Project Type (High-Cost; YOE Dollars)

$ Amount In Thousands	Near-Term 2017 - 2021	Mid-Term 2022 - 2026	Long-Term 2027 - 2046	Total	%
Project Costs by Project Type					
High-Capacity Transit Investments	$701,450	$2,466,067	$5,776,128	$8,943,645	74%
Pedestrian Improvements	$552,921	$82,910	$595,723	$1,231,553	10%
Surface/Local Road Improv + Taxi/ Shuttle Mobility	$172,871	512,394	$461,425	$1,146,690	10%
Freeway Improvements	$9,637	$528,477	$148,400	$686,514	6%
TOTAL	**$1,436,878**	**$3,589,849**	**$6,981,675**	**$12,008,402**	**100%**

Annual Costs Summary ($ Amount in Millions)



Total Costs Breakdown



High-Capacity Transit Investments · Pedestrian Improvements · Surface/Local Roadway Improvements + Taxi/Shuttle Mobility · Freeway Improvements

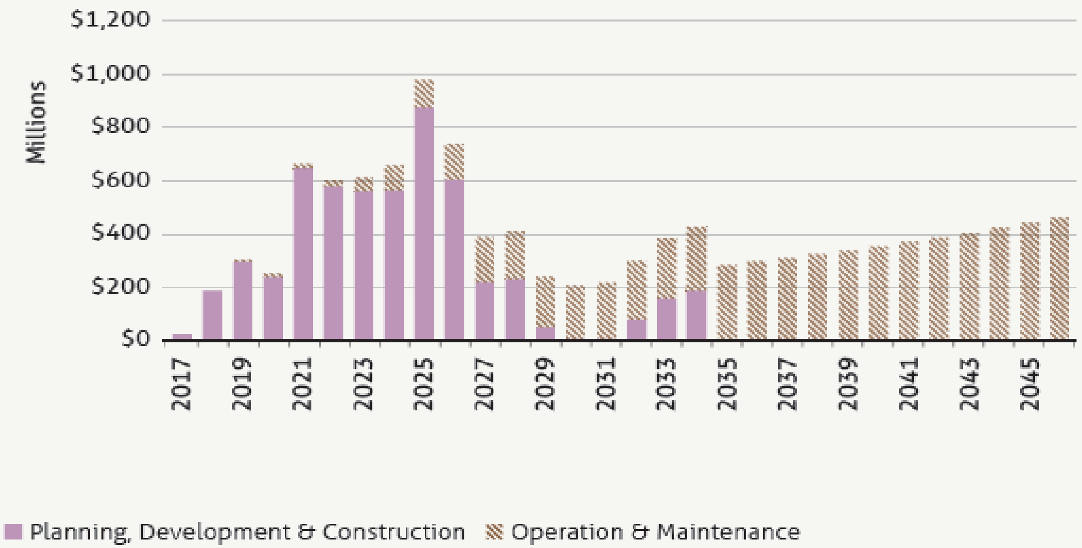
TIBP Project Cost Summary

Figure 7-6:

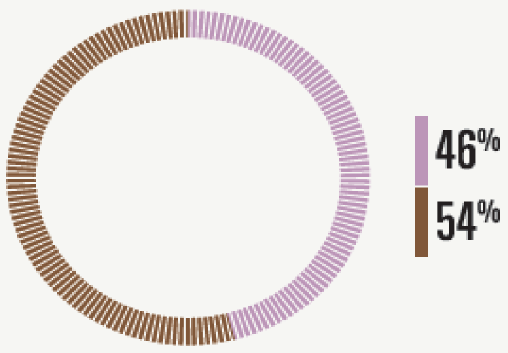
Total Program Costs by Project Phase (High-Cost; YOE Dollars)

$ Amount In Thousands	Near-Term 2017 - 2021	Mid-Term 2022 - 2026	Long-Term 2027 - 2046	Total	%
Project Costs by Project Phase					
Planning, Development & Construction	$1,397,930	$3,178,185	$949,447	$5,525,563	46%
Operation & Maintenance	$38,948	$411,663	$6,032,228	$6,482,839	54%
TOTAL	**$1,436,878**	**$3,589,849**	**$6,981,675**	**$12,008,402**	**100%**

Annual Costs Summary ($ Amount in Millions)



Total Costs Breakdown



TIBP Project Funding Requirements

Table 7-8:

Total Project Costs with Funding Source Unidentified (High-Cost; YOE Dollars)

$ Amount In Thousands	Near-Term 2017 - 2021	Mid-Term 2022 - 2026	Long-Term 2027 - 2046	Total
Local Funding - Other (Unallocated)				
Planning, Development & Construction	$962,175	$1,627,656	$409,655	$2,999,486
Operation & Maintenance	$37,454	$219,916	$3,361,370	$3,618,741
TOTAL	**$999,629**	**$1,847,573**	**$3,771,026**	**$6,618,227**


PUBLIC-PRIVATE
PARTNERSHIP

P3 LEGISLATION

Nevada's P3 Legislation
Overview

- Private entities may submit proposals to public bodies for developing, constructing, improving, or maintaining or operating a transportation facility
- A public body receiving such a proposal may request proposals from other entities on the submitted project
- The public body may approve either the original proposal or a subsequent proposal if it determines a public purpose is served
- (NRS §§ 338.161 – 168)

Nevada P3 Definitions

» **Facilities covered:**

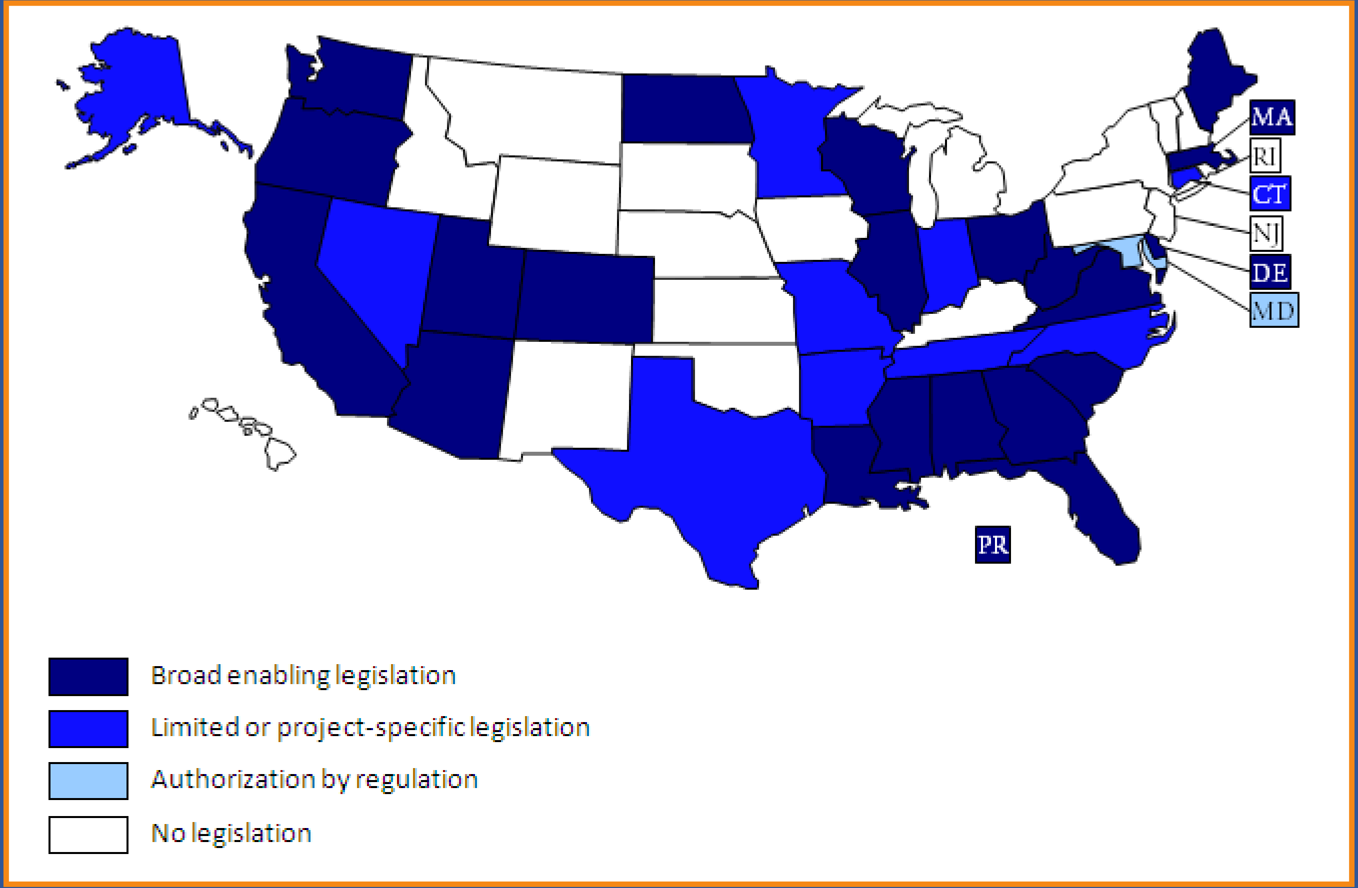
- Transportation facilities only: road, railroad, bridge, tunnel, overpass, airport, mass transit facility, parking facility for vehicles or similar commercial facility used for transport of persons or goods

» *Excluded* facilities: Toll roads and bridges

» Who can use: State, county, city, town, school district or any public agency of Nevada or its political subdivisions sponsoring or financing a public work

Other State P3 Models

» 33 states have some form of P3-enabling legislation
- All western states but ID, MT, WY and NM



Source: National Conference of State Legislatures

Examples: Specific Legislative Provisions

State	Provision
Arizona	Authorizes any project delivery that serves the public interest; allows availability payments and revenue sharing
Colorado	Creates High-Performance Transportation Enterprise to seek out and enter into PPPs and other innovative means of completing surface transportation infrastructure projects; requires public entity to approve toll rates; allows solicited proposals
Delaware	Establishes Public-Private Initiatives Program Revolving Loan Fund for P3 transportation projects
Florida	Exempts private entities from certain taxes; requires P3s to share project revenues with DOT over life of the agreement
Georgia	Requires all future PPP projects to be solicited by DOT; exempts P3 projects from ad valorem taxes
Maine	Requires PPP proposals to limit state capital funding to <50% of initial capital cost
Oregon	Establishes the Oregon Innovative Partnerships Program w/in DOT to pursue P3 projects
Utah	Requires revenue generated from tollway development agreement projects to be deposited into the Tollway Special Revenue Fund and used for transportation facilities within the corridor served by the tollway

Source: National Conference of State Legislatures

Proposed Nevada P3 Amendments

Provision	Capability
Eligible facility	▪ Incl. schools, water treatment, or other types of public facilities ▪ Toll bridges/roads included
Solicitation	▪ Public entities allowed to pro-actively solicit proposals to meet public's highest priorities
Permitted activities	▪ Include design, build, finance, lease, repair, acquire, extend, expand, plan, equip, replace, improve ▪ Include "any other project delivery method that serves the public interest"
Revenues	▪ Permit revenue sharing to enable public agencies to explicitly share in revenues derived from P3 projects ▪ Spend shared revenues on projects in geographic region where collected
Public lands	▪ Permit leasing of state/county land, including rights-of-way
Financing	▪ Establish P3 Revolving Loan Fund to fund additional P3 projects

Benefits of Expanded P3 Capabilities

» Greater ability to identify and pursue highest priority projects using P3 delivery

» Broadens eligible projects and activities for maximum flexibility in funding and delivering projects

» Provides additional funding for local projects through revenue sharing and revolving loan fund provisions

STATE INFRASTRUCTURE BANKS (SIBS) LEGISLATION

What is a SIB?

» State Infrastructure Bank

» Purpose: to provide below-market revolving loans, loan guarantees, credit support and other financing to support state transportation infrastructure development

» Opened to all states in 2005 under SAFETEA-LU (23 U.S.C. 610)

Common SIB Financing Tools

- Direct loans to municipal participants in the state
  - SIB loan may serve as last dollars in to help a challenging project get completed
  - Short- and long-term loans
  - Below-market subordinate loans
- The SIB can issue revenue bonds secured by the loan repayments – leveraged or revolving loan structure
- The SIB can provide credit enhancement to help support a municipality’s access to the capital markets

SIB Capitalization

- Can be capitalized with federal and state funds
  - All projects funded by any SIB capitalized with federal dollars must meet federal Title 23 or Title 49 project requirements – even if a project is funded only with state matching funds or loan repayment funds

- State funded programs have more flexibility, but the practical answer is whether or not significant State capitalization (beyond any required Federal match) can be identified

Examples of Transportation SIBs

» South Carolina Transportation Infrastructure Bank – SCTIB is designed as a leveraged revolving loan model but also provides significant grants to projects. In order to provide funding for project grants as well as create a strong revenue bond program, SCTIB receives annually recurring transportation revenues from the state

- The SCTIB Board adopts project selection criteria consistent with its authorizing legislation , including size of at least $100 million, economic benefit, safety and finance plan including amount of local match.
- SCTIB is governed by a seven member independent board including the Secretary of DOT with appointments made by the governor, house, and senate.
- SCTIB accepts project applications at any time

Examples of Transportation SIBs

» Florida DOT SIB – FDOT's program is capitalized with both state and federal funds. Program has made dozens of loans and was able to issue non-recourse SIB revenue bonds supported solely by loan repayments

- Program is housed within FDOT and wholly managed within the Department.
- Project eligibility is generally consistent with all applicable state statutes including: Project must be on the State Highway System or provide intermodal connectivity, and projects must be included in MPO and local comprehensive plans.

Proposed Nevada SIB

- Adopt legislation authorizing formation of a SIB
- Capitalization: federal and state-only accounts, to preserve maximum flexibility
  - Potential state funding sources include general funds, transportation funds, and other tax revenues
- Other considerations:
  - Leveraged vs. unleveraged (i.e., lend out only existing funds vs. bond against capitalization for enhanced funding)
  - Project eligibility and application procedures
  - Accountability
- Model legislation: Virginia, South Carolina, Texas

SIB Benefits

- Stretches federal and state dollars
- Accelerates project delivery by providing gap financing
- Can be used with traditional financing approaches to maximize investment potential
- Adaptable to unique financing structures for specific projects, which can bolster private sector participation
- Can finance new projects using revolving loan repayments

QUESTIONS AND ANSWERS

	Recommendation	Federal Funding and Financing Sources	State and Local Funding Sources	Other Funding Sources
	Pedestrian Improvements			
P-1	Circular pedestrian bridge at Las Vegas Blvd/Sahara Ave	CMAQ, STP, NHPP, TIGER	GST, Room Tax, Sales Tax, SNPLMA, FRI	Naming Rights & Advertising, Private Investment
P-2	Pedestrian bridge at Las Vegas Blvd/Riviera Blvd	CMAQ, STP, NHPP, TIGER	GST, Room Tax, Sales Tax, SNPLMA, FRI	Naming Rights & Advertising, Private Investment
P-3	Pedestrian bridge (2 legs) at Las Vegas Blvd/Resorts World Dr	CMAQ, STP, NHPP, TIGER	GST, Room Tax, Sales Tax, SNPLMA, FRI	Naming Rights & Advertising, Private Investment
P-4	Pedestrian bridge in front of the LINQ/Las Vegas Blvd	CMAQ, STP, NHPP, TIGER	GST, Room Tax, Sales Tax, SNPLMA, FRI	Naming Rights & Advertising, Private Investment
P-5	Pedestrian bridge (2 legs) in front of the Flamingo/Las Vegas Blvd	CMAQ, STP, NHPP, TIGER	GST, Room Tax, Sales Tax, SNPLMA, FRI	Naming Rights & Advertising, Private Investment
P-6	Pedestrian bridges (arced "X") at Las Vegas Blvd/ Bellagio Dr/Paris Dr	CMAQ, STP, NHPP, TIGER	GST, Room Tax, Sales Tax, SNPLMA, FRI	Naming Rights & Advertising, Private Investment
P-7	Pedestrian bridge at Hard Rock Café/MGM Dr/Las Vegas Blvd	CMAQ, STP, NHPP, TIGER	GST, Room Tax, Sales Tax, SNPLMA, FRI	Naming Rights & Advertising, Private Investment
P-8	Widen sidewalks to 18 feet, where feasible	CMAQ, STP, NHPP, TIGER	GST, Room Tax, Sales Tax, SNPLMA, FRI	Naming Rights & Advertising
P-9	Elevated sidewalks in front of Treasure Island	CMAQ, STP, NHPP, TIGER	GST, Room Tax, Sales Tax, SNPLMA, FRI	Naming Rights & Advertising
P-10	Elevated sidewalks in front of Caesars Palace	CMAQ, STP, NHPP, TIGER	GST, Room Tax, Sales Tax, SNPLMA, FRI	Naming Rights & Advertising
P-11	Elevated sidewalks between Caesars Palace and Bellagio	CMAQ, STP, NHPP, TIGER	GST, Room Tax, Sales Tax, SNPLMA, FRI	Naming Rights & Advertising
P-12	Elevated sidewalks between Bellagio and City Center	CMAQ, STP, NHPP, TIGER	GST, Room Tax, Sales Tax, SNPLMA, FRI	Naming Rights & Advertising
P-13	Elevated sidewalks between the Flamingo and Venetian	CMAQ, STP, NHPP, TIGER, TIFIA	GST, Room Tax, Sales Tax, SNPLMA, FRI	Naming Rights & Advertising
P-14	Elevated sidewalks between the Plaza (McDonald's) and Harmon Ave	CMAQ, STP, NHPP, TIGER	GST, Room Tax, Sales Tax, SNPLMA, FRI	Naming Rights & Advertising
P-15	Resort Corridor wayfinding system	CMAQ, TIGER	Room Tax, Sales Tax	N/A
P-16	Pedestrian bridge at Convention Center Dr/ Paradise Rd	CMAQ, STP, NHPP, TIGER	GST, Room Tax, Sales Tax, SNPLMA, FRI	Naming Rights & Advertising, Private Investment

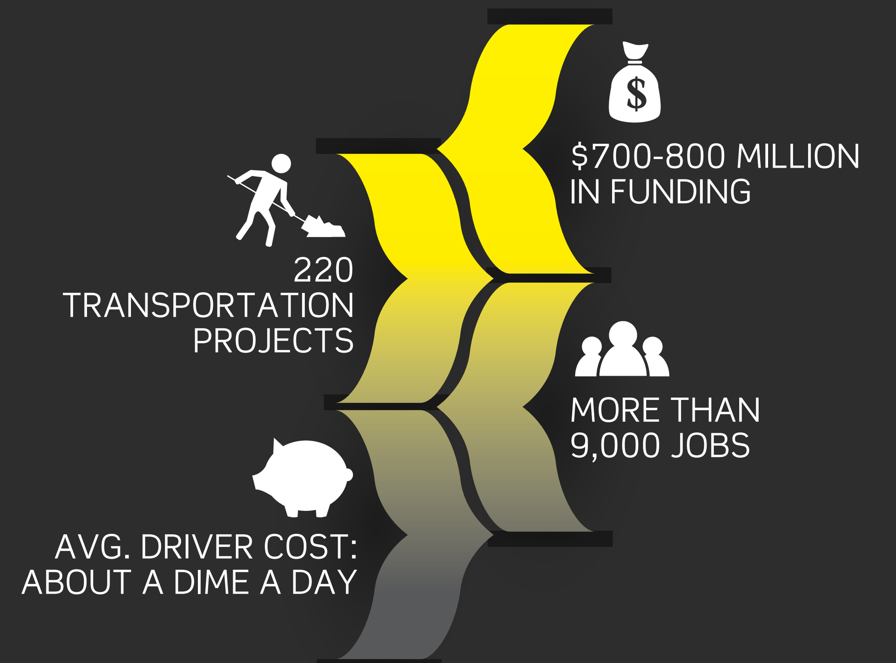
	Recommendation	Federal Funding and Financing Sources	State and Local Funding Sources	Other Funding Sources
P-17	Pedestrian bridge at Sands Ave/Koval Ln	CMAQ, STP, NHPP, TIGER	GST, Room Tax, Sales Tax, SNPLMA, FRI	Naming Rights & Advertising, Private Investment
P-18	Pedestrian bridge at Paradise Rd/Harmon Ave	CMAQ, STP, NHPP, TIGER	GST, Room Tax, Sales Tax, SNPLMA, FRI	Naming Rights & Advertising, Private Investment
P-19	Pedestrian bridge at Tropicana Ave/Koval Ln	CMAQ, STP, NHPP, TIGER	GST, Room Tax, Sales Tax, SNPLMA, FRI	Naming Rights & Advertising, Private Investment
P-20	Downtown Las Vegas pedestrian bridge(s)	CMAQ, STP, NHPP, TIGER	GST, Room Tax, Sales Tax, SNPLMA, FRI	Naming Rights & Advertising, Private Investment
	Surface/Local Roadway Improvements + Taxi/Shuttle Mobility			
S-1	Improve passenger loading areas at McCarran International Airport	AIP, PFC, TIGER	SNPLMA, Airport revenues	N/A
S-2	Koval/Swenson Express Airport Connector Elevated Couplet	CMAQ, STP, TIGER, AIP, PFC	GST, Room Tax, Sales Tax, FRI, Airport revenues	N/A
S-3	Reno-Giles-Koval improvements	TIGER	GST, Room Tax, Sales Tax, FRI	N/A
S-4	Koval Lane widening	TIGER	GST, Room Tax, Sales Tax, FRI	N/A
S-5	Paradise/Swenson one-way couplet extension	CMAQ,TIGER	GST, Room Tax, Sales Tax, FRI	N/A
S-6	Harmon Avenue Complete Street	CMAQ, 5309-New Starts/Small Starts, TIGER	GST, Room Tax, Sales Tax, FRI	N/A
S-7	Howard Hughes Parkway Extension (Tropicana-Flamingo connector)	TIGER	GST, Room Tax, Sales Tax, FRI	N/A
S-8	Convention Center Dr/ Riviera Blvd Complete Street (prioritize pedestrians)	CMAQ, TIGER	GST, Room Tax, Sales Tax, FRI	N/A
S-9	Convention Center Dr/ Riviera Blvd Complete Street (prioritize transit/taxis)	CMAQ, TIGER	GST, Room Tax, Sales Tax, FRI	N/A
S-10	Valley View/Harmon connection	TIGER, TIFIA	GST, Room Tax, Sales Tax, FRI	N/A
S-11	Meade Ave connection to Resorts World Dr	TIGER, TIFIA	GST, Room Tax, Sales Tax, FRI	N/A
S-12	MLK Blvd extension south to Meade Ave	TIGER, TIFIA	GST, Room Tax, Sales Tax, FRI	N/A
S-13	Intersection improvements at Las Vegas Boulevard/ Main/St. Louis/Paradise	CMAQ, STP, TIGER, TIFIA	GST, Room Tax, Sales Tax, FRI	N/A

	Recommendation	Federal Funding and Financing Sources	State and Local Funding Sources	Other Funding Sources
	Freeway Improvements			
F-1	I-15 direct access HOV drop ramp at I-15/Meade Ave	CMAQ, STP, NHPP, TIGER, GARVEE	GST, Room Tax, Sales Tax, FRI	N/A
F-2	I-15 direct accessHOV drop ramp at I-15/Harmon Ave	CMAQ, NHPP, GARVEE	GST, Room Tax, Sales Tax, FRI	N/A
F-3	I-15 direct access HOV drop ramp at I-15/ Hacienda Ave	CMAQ, NHPP, GARVEE	GST, Room Tax, Sales Tax, FRI	N/A
F-4	I-215 HOV direct airport connection	CMAQ, STP, NHPP, TIGER, GARVEE, TIFIA	GST, Sales Tax, FRI	N/A
F-5	I-515/City Parkway interchange	CMAQ, NHPP, GARVEE	GST, Sales Tax, FRI	N/A
F-6	I-515/Maryland Parkway interchange	CMAQ, NHPP, GARVEE, TIFIA, PAB	GST, Sales Tax, FRI	N/A

FUELING OUR FUTURE

PROGRESS REPORT
As of December 31, 2015

- 138 DESIGN & CONSTRUCTION CONTRACTS AWARDED
- INCLUDING 72 LOCAL SMALL BUSINESSES
- PROJECT TOTAL OF $328 MILLION
- APPROX. 4,231 JOBS



FUEL REVENUE INDEXING

RTCSNV.COM/FRI

Current as of December 31, 2015

WHAT WILL FUEL REVENUE INDEXING DO?

Fuel Revenue Indexing (FRI) will fund these projects, along with many more...

- INTERSTATE 11 FROM LAS VEGAS TO PHOENIX
- INTERSECTION & TRAFFIC SIGNAL DEVELOPMENT
- ROADWAY IMPROVEMENTS
- 215 BELTWAY & BRIDGE COMPLETIONS

RTCSNV.COM/FRI

For more information visit rtcsnv.com/fri or call (702) 676-1754

FREQUENTLY ASKED QUESTIONS (FAQs)

WHAT IS FUEL REVENUE INDEXING?

In 2013, the RTC partnered with local and state leaders and private businesses to enact Fuel Revenue Indexing in Clark County, allowing a portion of what drivers pay at the pump to be tied to the rate of inflation from January 2014 to December 2016. Fuel Revenue Indexing (FRI) generates funds for critically needed transportation projects and enables our community to have the capability to keep pace with the increasing costs of material and labor for transportation construction projects.

WHY DID FUEL REVENUES NEED TO BE INDEXED?

Without indexing, the RTC forecasted only $22.4 million a year over the next 10 years in available funds for street and highway projects, which equates to building one interchange per year, one mile of roadway per year in each jurisdiction, or one beltway segment without bridges per year. Yet, the valley has many roadway projects that are critically needed to ensure residents, visitors and goods can move efficiently into and through the valley.

WHY ARE THESE TRANSPORTATION PROJECTS IMPORTANT?

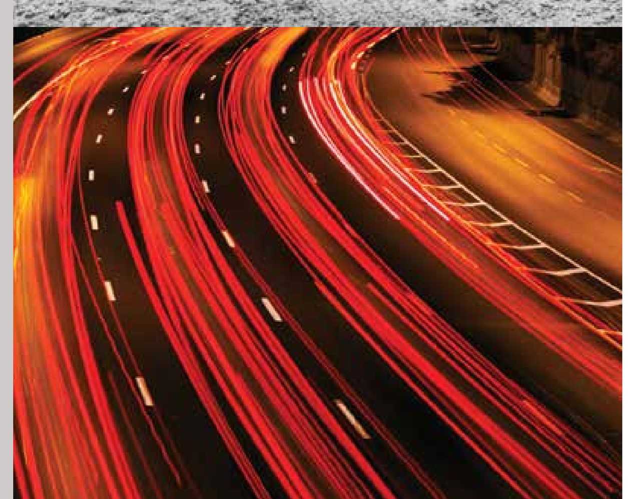
As Southern Nevada continues to modernize, grow and diversify, the needs of our transportation infrastructure demands more attention. Ensuring efficient interconnectivity and mobility for more than two million residents and more than 41 million visitors every year is paramount to our region's continued economic prosperity and sustainability. FRI is funding important local transportation projects and creating critically-needed jobs in Southern Nevada.

HOW ARE OTHER CITIES PAYING FOR THEIR TRANSPORTATION INFRASTRUCTURE?

Funding, maintaining and building critical transportation projects is a conversation taking place not only in Southern Nevada but across the entire country. In an approach similar to Southern Nevada's fuel revenue indexing, several other states have raised their fuel tax rates, including California, Connecticut, Kentucky, Georgia, Maryland, Nebraska, North Carolina and Wyoming.

WHAT PROJECTS ARE ON THE LIST?

A list is available at www.rtcsnv.com/fri/projects. Or contact the RTC by emailing: RTCFRI@rtcsnv.com or calling (702) 676-1754.



FUEL REVENUE INDEXING PROJECT NAMES AND COSTS

Current as of December 31, 2015

1 Interstate 11, US-95/ Hoover Dam Bridge **BC** Design/Build $53,847,000

2 Carey Ave., Nellis Blvd. to Toiyabe St. **CC** Design $200,000

3 Casa Linda: Between Spring Mountain Rd. and Twain Ave.; between Rainbow Blvd. and Torrey Pines Dr. **CC** Design/Construction $800,000

4 CC-215, Decatur Blvd. to N. 5th St. **CC** Construction $43,150,000

5 CC-215, Airport Connector Ph. II **CC** Construction $29,500,000

6 CC-215, Ft. Apache Rd. Bridge/ Durango Dr. Bridge **CC** Construction $9,790,000

7 CC-215, Grand Montecito Pkwy. Bridge **CC** Construction $10,163,000

8 Craig Park 1 and 2: North of Alexander Rd., between Pecos Rd. and Walnut Ave. **CC** Design/Construction $800,000

9 Decatur Blvd., Cactus Ave. to Warm Springs Rd. **CC** Design $350,000

10 Desert Inn Rd., Paradise Rd. to Mojave Rd. **CC** Construction $5,507,000

11 Durango Dr., Blue Diamond Rd. to Windmill Ln. **CC** Construction $6,000,000

12 Durango Dr., Tropicana Ave. to Spring Mountain Rd. **CC** Design/Construction $4,000,000

13 Eastern Ave., Warm Springs Rd. to Desert Inn Rd. **CC** Construction $6,250,000

14 Fort Apache Rd., Warm Springs Rd. to Tropicana Ave. **CC** Design $400,000

15 Fort Apache Rd., Warm Springs Rd. to Tropicana Ave. **CC** Construction $12,000,000

16 Fort Apache Rd./ Maule Ave. **CC** Construction $392,500

17 Fort Apache Rd./ Warm Springs Rd. **CC** Construction $392,500

18 Jones Blvd., Blue Diamond Rd. to Wigwam Pkwy. **CC** Design $1,500,000

19 Jones Blvd., Blue Diamond Rd. to Windmill Ln. **CC** Construction $11,308,000

20 Lake Mead Blvd./ Sloan Ln. **CC** Design/Construction $840,000

21 Lamb Blvd., Owens Ave. to Las Vegas Blvd. **CC** Construction $1,689,000

22 Las Vegas Blvd., St. Rose Pkwy. to Silverado Ranch Blvd. **CC** Construction $12,000,000

23 Laughlin/ Bullhead Bridge **CC** Construction $15,000,000

24 Los Feliz St., Sahara Ave. to Charleston Blvd. **CC** Design/Construction $1,000,000

25 Maryland Pkwy., Russell Rd. to Twain Ave. **CC** Construction $4,500,000

26 Paradise Palms: Between Desert Inn Rd. and Twain Ave.; between Maryland Pkwy. and Spencer St. **CC** Design/Construction $4,000,000

27 Pebble Canyon: South of Pebble Rd., between Eastern Ave. and Pecos Rd. **CC** Design/Construction $450,000

28 Rainbow Blvd., Erie Ave. to Blue Diamond Rd. **CC** Design/Construction $8,000,000

29 Rancho Las Brisas: North of Tropicana Ave., between Durango Dr. and Buffalo Dr. **CC** Design/Construction $257,000

30 Sunset Rd., Rainbow Blvd. to Decatur Blvd. **CC** Design $200,000

31 Tenaya Wy./ Warm Springs Rd. **CC** Construction $500,000

32 Tropicana Ave., Hualapai Wy. to Fort Apache Rd. **CC** Design/Construction $10,000,000

33 Anthem Pkwy. at Anthem Country Club Entry **H** Design $125,000

34 Anthem Pkwy. at Anthem Country Club Entry **H** Construction $400,000

35 Anthem Pkwy./ Eastern Ave./ Pecos Ridge Pkwy. **H** Design $275,000

36 Arroyo Grande Blvd., Horizon Ridge Pkwy. to Sunset Rd. **H** Design $400,000

37 Arroyo Grande Blvd., Horizon Ridge Pkwy. to Sunset Rd. **H** Construction $3,565,500

38 Arroyo Grande Blvd./ Mayan Dr., Helmsdale Dr./Harwick Dr., Sunset Rd. near Scimitar Dr. **H** Design $125,000

39 Arroyo Grande Blvd./ Mayan Dr., Helmsdale Dr./Harwick Dr., Sunset Rd. near Scimitar Dr. **H** Construction $650,000

40 Bermuda Rd., Volunteer Blvd. to St. Rose Pkwy. **H** Design $100,000

41 Bruner Rd., Gilespie St. to Executive Airport Dr. **H** Design $125,000

42 Center St., Burkholder Blvd. to Lake Mead Blvd. **H** Design $200,000

43 Center St., Burkholder Blvd. to Lake Mead Blvd. **H** Construction $1,500,000

44 College Dr., Paradise Hills Dr. to I-515 **H** Design/Construction $523,000

45 Downtown Henderson Complete Streets **H** Design/Construction $12,000,000

46 Eastern Ave., Coronado Center Pkwy. to Silverado Ranch Blvd. **H** Design/Construction $1,044,000

47 Executive Airport Dr., Volunteer Blvd. to St. Rose Pkwy. **H** Construction $125,000

48 Gibson Rd., Horizon Ridge Pkwy. to I-215 **H** Design/Construction $1,100,000

49 Gilespie St., Volunteer Blvd. to St. Rose Pkwy. **H** Design $75,000

50 High View Dr., Green Valley Pkwy. to Valle Verde Dr. **H** Design $261,500

51 High View Dr., Green Valley Pkwy. to Valle Verde Dr. **H** Construction $2,069,500

52 Horizon Ridge Pkwy., Gibson Rd. to Las Palmas Entrada Ave. **H** Design/Construction $1,275,000

53 I-15 at Starr Ave. **H** Construction $35,280,000

54 Las Vegas Blvd., Sloan Rd. to St. Rose Pkwy. **H** Design/Construction $5,875,000

55 Mission Dr., College Dr. to UPRR **H** Design/Construction $1,217,000

56 Montelago Blvd. and Lake Las Vegas Pkwy. Loop **H** Construction $1,100,000

57 Paradise Hills Dr., Greenway Rd. to College Dr **H** Design/Construction $720,000

58 Pueblo Blvd., Newport Dr. to Warm Springs Rd. **H** Design $275,000

59 Racetrack Rd., Boulder Hwy. to Athens Ave. w/ Newport Bridge @ C1 Channel **H** Design $375,000

60 Racetrack Rd., Boulder Hwy. to Athens Ave. w/ Newport Bridge @ C1 Channel **H** Construction $3,066,000

61 Reunion Dr., Anthem Pkwy. to Anthem Pkwy. (loop) **H** Design $225,000

62 Reunion Dr., Anthem Pkwy. to Anthem Pkwy. (loop) **H** Construction $1,250,000

63 Stephanie St., Russell Rd. to Galleria Dr. **H** Design/Construction $20,000,000

64 Starr Rd., Las Vegas Blvd. to St. Rose Pkwy. **H** Design/Construction $5,500,000

65 Study: SB I-515 Galleria Dr. to I-215, Pecos Rd. at I-215, Eastern Ave. at I-215 **H** Design $450,000

66 Sunset Rd., Annie Oakley Dr. to Sunset Wy. **H** Design $450,000

67 Sunset Rd., Annie Oakley Dr. to Sunset Wy. **H** Design/Construction $2,000,000

68 Valle Verde Dr., Horizon Ridge Pkwy. to Warm Springs Rd. **H** Design/Construction $2,500,000

69 Valle Verde Dr., Warm Springs Rd. to High View Dr. **H** Design $217,000

70 Valle Verde Dr., Warm Springs Rd. to High View Dr. **H** Construction $1,032,000

71 Volunteer Blvd., Las Vegas Blvd. to Anthem Boundary and Executive Airport Dr., Volunteer Blvd. to Bruner Ave. **H** Construction $7,126,000

72 Warm Springs Rd., Arroyo Grande Blvd. to Boulder Hwy. **H** Construction $3,604,000

73 Warm Springs Rd., Lake Mead Pkwy. to Racetrack Rd. **H** Design $150,000

74 Whitney Ranch Dr., Sunset Rd. to Russell Rd. Construction **H** $2,196,000

75 3rd. St., Fremont St. to Charleston Blvd. **LV** Construction $3,500,000

76 6th St., Bridger Ave. to Stewart Ave. **LV** Design $616,000

77 6th St., Bridger Ave. to Stewart Ave. **LV** Construction $1,051,000

78 Alexander Rd./Torrey Pines Dr. **LV** Construction $465,000

79 Alta Dr., Decatur Blvd. to Valley View Blvd. **LV** Design/Construction $1,139,000

80 Alta Dr., Rainbow Blvd. to Decatur Blvd. **LV** Design/Construction $2,361,000

81 Alta Dr., Rancho Dr. to Main St. **LV** Design $1,700,000

82 Bonanza Rd./ Lillian St. (Ped Actuated Flasher) **LV** Design $15,000

83 Bonanza Rd./ Lillian St. (Ped Actuated Flasher) **LV** Construction $90,000

84 Bonanza Rd./Page St. **LV** Construction $465,000

85 Buffalo Dr., Sky Pointe Dr. to Grand Teton Dr. **LV** Design/Construction $1,400,000

86 Buffalo Dr./ Gilmore Ave. (Ped Actuated Flasher) **LV** Design/Construction $200,000

87 Carson Ave., Casino Center Blvd. to 9th St. **LV** Design $900,000

88 Carson Ave., Casino Center Blvd. to 9th St. **LV** Construction $3,142,000

89 Centennial/Sky Pointe/ Oso Blanca @ US-95 **LV** Construction $5,000,000

90 Charleston Blvd., Boulder Hwy. to Nellis Blvd. **LV** Construction $600,000

91 Charleston Blvd., Grand Central Pkwy. to Fremont St. **LV** Design $3,000,000

92 Charleston Blvd., Shadow Ln. to Rancho Dr. **LV** Design $1,500,000

93 Lake Mead Blvd./ Comstock Dr./ Stella Lake St. (HAWK Signal) **LV** Construction $200,000

94 Cimarron Rd., Sky Pointe Dr. to Grand Teton Dr. **LV** Design/Construction $1,050,000

95 Cliff Shadows Pkwy./ Novat St. **LV** Construction $375,000

96 Coolidge Ave., Main St. to 4th St. **LV** Design $500,000

97 Coolidge Ave., Main St. to 4th St. **LV** Construction $983,000

98 Curb Extensions (10) **LV** Design/Construction $450,000

99 Curb Extensions (5) **LV** Design/Construction $270,000

100 Curb Extensions (9) **LV** Design/Construction $360,000

101 Decatur Blvd., US-95 to Lake Mead Blvd. **LV** Design/Construction $2,144,000

102 Decatur Blvd./Eldora Ave. (HAWK Signal) **LV** Design $27,000

103 Decatur Blvd./Eldora Ave. (HAWK Signal) **LV** Construction $200,000

104 Decatur Blvd./ Westmoreland Dr. (Ped Actuated Flasher) **LV** Construction $49,000

105 Eastern Ave., Sahara Ave. to Cedar Ave. **LV** Design/Construction $2,137,000

106 Eastern Ave./Exley Ave. (Ped Actuated Flasher) **LV** Construction $49,000

107 Elkhorn Rd., US-95 to Tenaya Wy. **LV** Design/Construction $1,200,000

108 Gass Ave., Main St. to Charleston Blvd. **LV** Design $995,000

109 Gass Ave., Main St. to Charleston Blvd. **LV** Construction $2,748,000

110 Gowan Rd./ Shermcrest Wy. (Ped Actuated Flasher) **LV** Design $7,000

111 Gowan Rd./ Shermcrest Wy. (Ped Actuated Flasher) **LV** Construction $90,000

112 I-15 Frontage Roads, Washington Ave. to Lake Mead Blvd. **LV** Design $200,000

113 I-15 Frontage Roads, Washington Ave. to Lake Mead Blvd. **LV** Design $2,500,000

114 Kyle Canyon @ US-95 Design/Construction **LV** $8,708,000

115 Lake Mead Blvd., Hills Center Dr. to Rock Springs Dr. **LV** Design/Construction $2,122,000

116 Lake Mead Blvd., Rainbow Blvd. to Rancho Dr. **LV** Design/Construction $2,295,000

117 Lake Mead Blvd./ Arpa Wy. (Ped Actuated Flasher) Construction $49,000

118 Lake Mead Dr./ James Bilbray Dr. (Ped Actuated Flasher) **LV** Construction $90,000

119 Lamb Blvd./ Owens Ave. **LV** Construction $465,000

120 Las Vegas Blvd., Stewart Ave. to Sahara Ave. **LV** Design $2,000,000

121 Cactus Ave., Las Vegas Blvd. to Spencer St. **CC** Construction $6,604,000

122 Main St./Commerce St. Downtown Couplet, I-515 to Las Vegas Blvd. **LV** Design/Construction $48,250,000

123 Rainbow Blvd., Warm Springs Rd. to Tropicana Ave. **CC** Construction $4,100,000

124 Meadows Neighborhood Construction **LV** $2,000,000

125 Oakey Blvd./Wyoming Ave., Rainbow Blvd. to Industrial Rd. **LV** Construction $2,200,000

126 Rancho Dr., Bonanza Rd. to Rainbow Blvd. **LV** Design/Construction $3,115,000

127 Rancho Dr./Decatur Blvd. Intersection Improvements (1) **LV** Construction $3,550,000

128 Rancho Dr./Decatur Blvd. Intersection Improvements (2) **LV** Construction $500,000

129 Rancho Dr./Redondo Ave. (Ped Actuated Flasher) **LV** Design $15,000

130 Rancho Dr./Redondo Ave. (Ped Actuated Flasher) **LV** Construction $75,000

131 Sahara Ave./ Las Verdes St. (Ped Actuated Flasher) **LV** Design $7,000

132 Sahara Ave./ Las Verdes St. (Ped Actuated Flasher) **LV** Construction $90,000

133 Shadow Ln., Alta Dr. to Charleston Blvd. **LV** Design/Construction $1,000,000

134 Smoke Ranch Rd., Jones Blvd. to Rancho Dr. **LV** Design/Construction $1,000,000

135 Smoke Ranch Rd., Rainbow Blvd. to Jones Blvd. **LV** Design/Construction $700,000

136 Smoke Ranch Rd./ James Bilbray Dr. (Ped Actuated Flasher) **LV** Design $7,000

137 Smoke Ranch Rd./ James Bilbray Dr. (Ped Actuated Flasher) **LV** Construction $90,000

138 Smoke Ranch Rd./ Maverick St. (Ped Actuated Flasher) **LV** Design $7,000

139 Smoke Ranch Rd./ Maverick St. (Ped Actuated Flasher) **LV** Construction $90,000

140 Street Lighting Upgrades (63) **LV** Design/Construction $416,500

141 Street Lighting Upgrades (24) **LV** Design/Construction $91,000

142 Street Lighting Upgrades (32) **LV** Design/Construction $98,000

143 Street Lighting Upgrades (33) **LV** Design/Construction $94,500

144 Street Lighting Upgrades (79) **LV** Design/Construction $350,000

145 Summerlin Pkwy., CC-215 to US-95 **LV** Design/Construction $6,500,000

146 Town Center Dr./ Crestdale Ln. (Ped Actuated Flasher) **LV** Design $15,000

147 Town Center Dr./ Crestdale Ln. (Ped Actuated Flasher) **LV** Construction $75,000

148 Town Center Dr./ Spring Gate Ln. (Ped Actuated Flasher) **LV** Design $15,000

149 Town Center Dr./ Spring Gate Ln. (Ped Actuated Flasher) **LV** Construction $75,000

150 Town Center Pkwy., Charleston Blvd. to Summerlin Pkwy. **LV** Design/Construction $2,000,000

151 Valley View Blvd., US-95 to Washington Dr. Design/Construction **LV** $250,000

152 Veterans Memorial Dr./ Cultural Vista Pkwy. Connector **LV** Design $1,500,000

153 Washington Ave., Decatur Blvd. to Rancho Dr. **LV** Design/Construction $1,000,000

154 Exit 118 and Lower Flat Top Mesa, I-15 to Pioneer Blvd. **M** Design/Build $20,000,000

155 Interstate 11, I-515 to US-95 **NDOT** Construction $25,875,000

156 US-95, Ann Rd. to Durango Dr. **NDOT** Construction $6,400,000

157 Alexander Rd., N. 5th St. to Losee Rd. **NLV** Design $500,000

158 Alexander Rd./ Arcata Wy. **NLV** Design/Construction $67,725

159 Alexander Rd./ Clayton Rd. **NLV** Design/Construction $1,050,000

160 Ann Rd./ Commerce St. **NLV** Design/Construction $1,050,000

161 Carey Ave., Revere St. to I-15 **NLV** Construction $2,379,000

162 Carey Ave., Revere Rd. to Pecos St. **NLV** Design $500,000

163 Centennial Pkwy., Camino Eldorado to Lamb Blvd. **NLV** Construction $5,360,000

164 Centennial Pkwy./ Bruce St. **NLV** Design/Construction $67,725

165 Centennial Pkwy./ Donna St. **NLV** Design/Construction $67,725

166 Centennial Pkwy./ Goldfield St. **NLV** Design/Construction $67,725

167 Centennial Pkwy./ Black Oaks St. **NLV** Construction $66,725

168 Cheyenne Ave. at Commerce St. **NLV** Construction $267,000

169 Clayton Rd., Centennial Pkwy. to Hammer Ln. **NLV** Design $1,500,000

170 Commerce St., Cheyenne Ave. to Centennial Pkwy. **NLV** Design $750,000

171 Commerce St., Cheyenne Ave. to Centennial Pkwy. **NLV** Construction $3,780,000

172 Decatur Blvd., Chuckwagon Ave. to Lone Mountain Rd. **NLV** Design/Construction $380,000

173 Gowan Ave./ Commerce St. **NLV** Design/Construction $1,050,000

174 Gowan Rd., Allen Ln. to Losee Rd. **NLV** Design $750,000

175 Gowan Rd., Allen Ln. to Losee Rd. **NLV** Construction $3,780,000

176 I-15 at Tropical Pkwy. **NLV** Design/Construction $6,775,000

177 Lake Mead Blvd. Couplet **NLV** Design/Construction $1,140,000

178 Lake Mead Blvd./ Bassler St. **NLV** Design $11,725

179 Las Vegas Blvd., Evans St. to Pecos Rd. **NLV** Design $180,000

180 Las Vegas Blvd., Evans St. to Pecos Rd. **NLV** Construction $1,482,000

181 Las Vegas Blvd., Tonopah Ave. to Carey Ave. **NLV** Design $800,000

182 Las Vegas Blvd. Tonopah Ave. to Carey Ave. **NLV** Design/Construction $11,450,000

183 Las Vegas Blvd./ McCarran St. **NLV** Design $11,725

184 Losee Rd. at Lone Mountain Rd. **NLV** Construction $2,484,000

185 Losee Rd., Craig Rd. to CC-215 (Roadway) **NLV** Construction $11,394,000

186 Losee Rd., Craig Rd. to CC-215 (Traffic Signals) **NLV** Construction $1,206,000

187 N. 5th St., Alexander Rd. to Centennial Pkwy. **NLV** Construction $1,620,000

188 N. 5th St./ Las Vegas Wash (N. of Craig Rd.) **NLV** Design/Construction $67,725

189 Revere St., Carey Ave. to Colton Rd. **NLV** Design/Construction $2,126,000

190 Simmons St., Cheyenne Ave. to Red Coach Ave. **NLV** Construction $6,850,000

191 Valley Dr., Cheyenne Ave. to Tropical Pkwy. **NLV** Design/Construction $3,780,000

192 Flamingo Rd., Boulder Hwy. to Hualapai Wy. **RTC** Design/Construction $6,999,000

193 Maryland Pkwy., Stewart Ave. to Russell Rd. **RTC** Design $3,000,000

194 Paradise Rd./ Swenson St., Russell Rd. to Sahara Ave. **RTC** Design $2,970,000

195 ITS: CC-215, I-15 to Cheyenne Ave. **RTC** Construction $3,863,000

196 ITS: CC-215, I-15 to I-515 **RTC** Construction $975,500

197 ITS: CC-215, Tenaya Wy. to Aliante Pkwy. **RTC** Construction $3,351,500

198 ITS: Nellis Blvd., Lake Mead Dr. to Flamingo Rd. **RTC** Construction $3,056,750

199 ITS: Stewart Ave., Pecos Rd. to Nellis Blvd. **RTC** Construction $753,250

200 Decatur Blvd./Tropicana Ave. Traffic Signal **CC** Construction $805,000

201 Lindell Rd/Tropicana Traffic Signal **CC** Construction $1,205,000

202 Ft. Apache Rd., Alexander Rd. to CC-215 **CC** Design $1,200,000

203 Hacienda Ave. Durango Dr. to Buffalo Dr. **CC** Construction $2,600,000

204 Eastern Ave., Wigwam Pkwy. to Warm Springs Rd. **CC** Design/Construction $2,100,000

205 Desert Inn Rd., Lamb Blvd. to Nellis Blvd. **CC** Design/Construction $1,000,000

206 Sir George Dr, Nellis Blvd. to Stewart Ave. **CC** Design/Construction $900,000

207 Winterwood Blvd., Club House Dr. to Sahara Ave. **CC** Design/Construction $400,000

208 Decatur Blvd., Craig Rd. to Lone Mountain Rd. **NLV** Design/Construction $2,000,000

209 Paseo Verde Pkwy., St. Rose Pkwy. to Green Valley Pkwy. **H** Design/Construction $1,200,000

210 Eastern Ave/Pecos Ridge Pkwy./Anthony Ct. Traffic Signals **H** Construction $750,000

211 Pecos Rd, Windmill Ln. to Robindale Rd. **H** Construction $233,000

212 Gibson Rd, Warm Springs Rd. to Sunset Rd. **H** Construction $600,000

213 Horizon Dr, Pacific Ave. to Boulder Hwy. **H** Construction $1,500,000

214 Utility Sleeves Construction along I-11 **BC** Construction $1,500,000

215 Alexander Rd., N. 5th St. to Losee Rd. **NLV** Construction $3,200,000

216 Pecos Rd./ Geist Ave. **NLV** Design/Construction $68,000

217 Martin L. King Blvd./ June Ave. **NLV** Design/Construction $68,000

218 Casino Center Blvd., Stewart Ave. to US-95 **LV** Construction $500,000

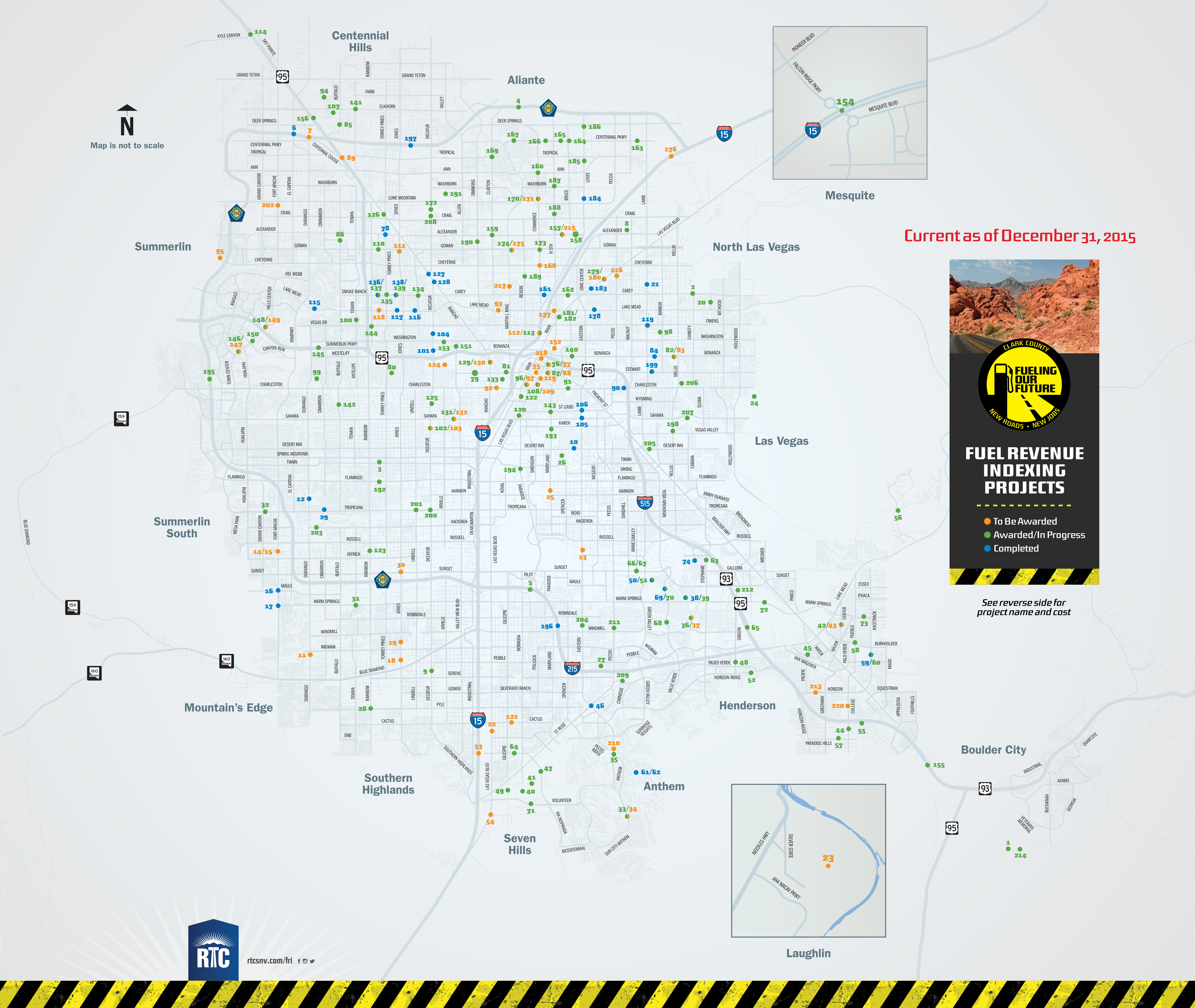
219 Downtown Pedestrian Streetlight Upgrades **LV** Construction $854,000

220 Bike Lane Striping and Signage **H** Design/Construction $277,000

PROJECT ENTITY

- **BC** Boulder City
- **CC** Clark County
- **H** Henderson
- **LV** Las Vegas
- **M** Mesquite
- **NDOT** Nevada Department of Transportation
- **NLV** North Las Vegas
- **RTC** Regional Transportation Commission of Southern Nevada

To Be Awarded • Awarded/In Progress • Completed


Current as of December 31, 2015
N
Map is not to scale
Centennial Hills
Aliante
Summerlin
North Las Vegas
Las Vegas
Summerlin South
Mountain's Edge
Henderson
Southern Highlands
Seven Hills
Anthem
Boulder City
Mesquite
Laughlin
CLARK COUNTY
FUELING OUR FUTURE
NEW ROADS • NEW JOBS
FUEL REVENUE INDEXING PROJECTS
To Be Awarded
Awarded/In Progress
Completed
See reverse side for project name and cost
RTC
rtcsnv.com/fri

LOCAL / CALIFORNIA

Billions spent, but fewer people are using public transportation in Southern California

Metro plans to spend more than $12 billion over the next 10 years to build two new rail lines and three extensions, the largest capital investment of any transit agency in the country. (Al Seib / Los Angeles Times)

By **Laura J. Nelson and Dan Weikel · Contact Reporters**

JANUARY 27, 2016, 7:17 AM

For almost a decade, transit ridership has declined across Southern California despite enormous and costly efforts by top transportation officials to entice people out of their cars and onto buses and trains.

The Los Angeles County Metropolitan Transportation Authority, the region's largest carrier, lost more than 10% of its boardings from 2006 to 2015, a decline that appears to be accelerating. Despite a $9-billion investment in new light rail and subway lines, Metro now has fewer boardings than it did three decades ago, when buses were the county's only transit option.

Most other agencies fare no better. In Orange County, bus ridership plummeted 30% in the last seven years, while some smaller bus operators across the region have experienced declines approaching 25%. In the last two years alone, a Metro study found that 16 transit providers in Los Angeles County saw average quarterly declines of 4% to 5%.

Do you take public transit? Why or why not? Join the conversation on Facebook >>

Years after the end of the worst recession since World War II, which prompted deep service cuts, transit agencies are still trying to figure out where their riders have gone and what can be done to bring them back, including major changes to routes and schedules.

Officials say ridership is cyclical and customers will return as traffic congestion worsens, bus service improves, new rail lines open and more of the region's population moves to walkable neighborhoods near transit stops.

But some experts say the downturn could represent a permanent shift in how people get around, propelled by a changing job market, falling gas prices, fare increases, declining immigration and the growing popularity of other transportation options, including bicycling and ride-hailing companies such as Uber and Lyft.

"I don't know if this is long-term, but it doesn't feel like it's temporary when we've been dealing with 36 straight months of declining ridership," said Darrell Johnson, chief executive of the Orange County Transportation Authority.

The decline suggests that Southern California policymakers are falling short of one of their longtime goals: drawing drivers out of their cars and onto public transportation to reduce traffic congestion, greenhouse gases and the region's reliance on fossil fuels.

Southern California certainly isn't alone. Public transportation use in many U.S. cities, including Chicago and Washington, D.C., has slumped in the last few years. But the question takes on new significance in Los Angeles County, where politicians and transportation officials are considering whether to seek another half-cent sales tax increase in November that could raise $120 billion for major transportation projects, including several new rail lines.

"It's a bit perverse," said USC engineering professor James E. Moore II, who has been a critic of rail transit. "You're spending all this money and you're driving ridership down. If you're investing heavily in transit, you'd hope ridership would increase."

Phil Washington, Metro's chief executive, says the slump will reverse when his agency finishes a "complete buildout" of its growing rail network, a process that could take decades.

Metro plans to spend more than $12 billion over the next 10 years to build two new rail lines and three extensions, the largest capital investment of any transit agency in the country.

In addition, the Los Angeles City Council approved a sweeping plan last fall to encourage the use of transit and alternative forms of transportation. Mobility Plan 2035 calls for hundreds of miles of bike and bus-only lanes to be added to city streets over the next two decades.

"We're not building for today," Washington said. "We're building for 100 years down the road."

Although buses account for about 75% of Metro's ridership, rail operations and construction receive more money than buses do from Measure R, the county's most recent half-cent sales tax to fund transportation projects.

Metro has worked to speed up some bus routes, including giving buses their own lanes during rush hour on Wilshire Boulevard, the most traveled corridor in the county. The majority of buses, however, crawl through the streets at rush hour, and passengers often complain about long travel times.

"There's been lots of focus by transit agencies on shiny new things, sometimes at the expense of bus routes which serve the primary constituencies of transit agencies: low-wage workers," said Brian Taylor, the director of UCLA's Institute of Transportation Studies. "Lots of resources are being put into a few high-profile lines that often carry a smaller number of riders compared to bus routes."

John Durant, 36, stopped taking Metro buses after he graduated from Cal State L.A., where his daily transit commute was 45 minutes each way. After he got a job in downtown Los Angeles, Durant bought a car, even though parking, insurance and gas cost him hundreds of dollars more per month than his Metro pass.

"If taking the bus were faster than driving, more people would do it," Durant said. "But it isn't."

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Thirty years ago, Metro's predecessor, the Southern California Rapid Transit District, handled almost 500 million annual bus boardings in Los Angeles County. In the decade that followed, the transit district and then Metro raised fares and cut bus service hours to fund an aggressive construction program for a subway through downtown Los Angeles and light-rail lines to Long Beach and between Norwalk and Redondo Beach.

In 1994, an organization that represented bus riders sued Metro in federal court, alleging that cutting bus service to pay for new rail lines discriminated against minority passengers who faced increasingly crowded buses. In a landmark settlement, Metro agreed to stop raising fares for 10 years and relieve overcrowding by adding more than 1 million hours of bus service.

Ridership soared. Metro buses and trains recorded about 492 million boardings in 2006, the most since 1985. But from 2009 to 2011, several years after federal oversight ended and during the Great Recession, the agency raised fares and cut bus service by 900,000 hours.

By the end of 2015, ridership had fallen 10% from 2006, with the steepest declines coming in the last two years.

The numbers look even grimmer in Orange County, where the transportation authority saw a 30% decline in boardings between 2008 and 2014, from 68.9 million to 48.1 million. In the first 11 months of 2015, the most recent data available, ridership fell by an additional 2.4 million.

Although Orange County's economy has rebounded, the types of jobs typically held by transit riders may have changed, both in quality and quantity, OCTA officials say. In 2007, more than half of bus riders said they had full-time work. That dropped to 37% in 2014, according to OCTA, and those who had part-time jobs grew five percentage points over the same period.

"Our ridership usually has tracked along with improving employment levels," Johnson, the agency's chief executive, said, "but not this time."

OCTA has plans to overhaul bus service by providing faster and more frequent service in areas of high demand and cutting service on the less-used lines, possibly replacing them with shuttles, vans and trolleys.

Also under consideration are lower fares and tech-friendly improvements, including mobile ticketing and real-time information for riders. Officials predict that the plan will increase annual ridership by 1.6 million boardings within three years.

Metro is weighing a partnership with ride-hailing companies such as Uber and Lyft, saying their drivers could bridge the so-called "first mile, last mile" gap between a commuter's transit stop and their destination. Agency staff say they suspect rides in those for-hire vehicles may be replacing some transit trips.

The L.A. Department of Transportation's DASH and Commuter Express buses have also been hit hard. They lost 19% of their boardings between 2008 and 2014 after the agency cut routes and doubled its 25-cent fare.

"Less people are riding, period," said Corinne Ralph, LADOT's head of transit operations. When the department met with Metro and other local transit agencies in December to discuss the ridership downturn, she said, it seemed to be "a major surprise to most transit operators.... No one really anticipated the severity of the decline."

According to census data, up to 7% of Los Angeles County residents commute using transit while a lower percentage do so in surrounding counties. Metro's goal is to convert 20% to 25% of the county's population into regular transit riders, Washington said.

Doing so would require tapping into the vast groups of riders who can afford to drive. Currently, a Metro rider's median household income is $15,918 — far below the countywide median of $55,909.

About 20% rely on public transportation to commute to work during the first five years they live in California, including L.A. County, according to Evelyn Blumenberg, the chairwoman of UCLA's urban planning department.

The longer immigrants live in the U.S., the less likely they are to take the bus or train, either because they begin to drive or move to suburbs with less transit service. After two decades in the United States, about 6% of immigrants ride transit, only slightly higher than native-born residents, Blumenberg said.

After a surge in immigration in the 1980s, which significantly bolstered bus and rail ridership, the influx of foreign-born people peaked in California in 1991 and has been declining since, she said.

A new avenue for driving also might have opened up for immigrants who are in the country illegally. A law that took effect last year allows them to obtain California driver's licenses. So far, the Department of Motor Vehicles has issued more than 605,000 such licenses, a spokesman said.

In addition, some transit officials say the recovering economy has helped transit riders find at least partial access to cars. During the last five years, the number of former OCTA bus riders who gained access to cars almost doubled, agency surveys show.

"It's not the dream of every bus rider to arrive in a bus that was on time, air conditioned and clean, where a seat was available," said Moore of USC. "It's the dream of every bus rider to own a car. And as soon as they can afford one, that's the first purchase they'll make."

According to the Southern California Assn. of Governments, the total number of miles driven in the region per day has almost returned to pre-recession levels, although the miles driven daily per person are declining.

Still other former riders have voiced concerns about safety and a lack of convenient service.

Suzan Mikiel moved from New York five years ago to Los Feliz, which has a Red Line subway stop. She took transit for four years as she auditioned for acting roles and worked temporary jobs as a caterer, a photographer and a writer's assistant.

Transit offered a chance to relax, people-watch or take photos during the day, she said. But at night, trying to get home was sometimes "horrible, if not impossible."

Mikiel occasionally found herself stranded in unfamiliar neighborhoods late at night. On less-traveled routes, connecting to another bus could take an hour. Finally, after being robbed near the Culver City Expo Line station, she bought a car.

"Driving has really opened up my experiences in L.A.," Mikiel said. "I love my car. I'm keeping it."

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ALSO

Negligence by Southern California Gas Co. led to massive Porter Ranch-area gas leak, AQMD

says

L.A. is working to count a hidden population — homeless young people

New details emerge from O.C. jail break; sheriff 'extremely troubled'

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A version of this article appeared in print on January 27, 2016, in the News section of the Los Angeles Times with the headline "Transit ridership dips across region - The significant decline comes in spite of costly investments" — Today's paper | Subscribe

This article is related to: LA Metro, L.A. Department of Transportation

Presentation to the

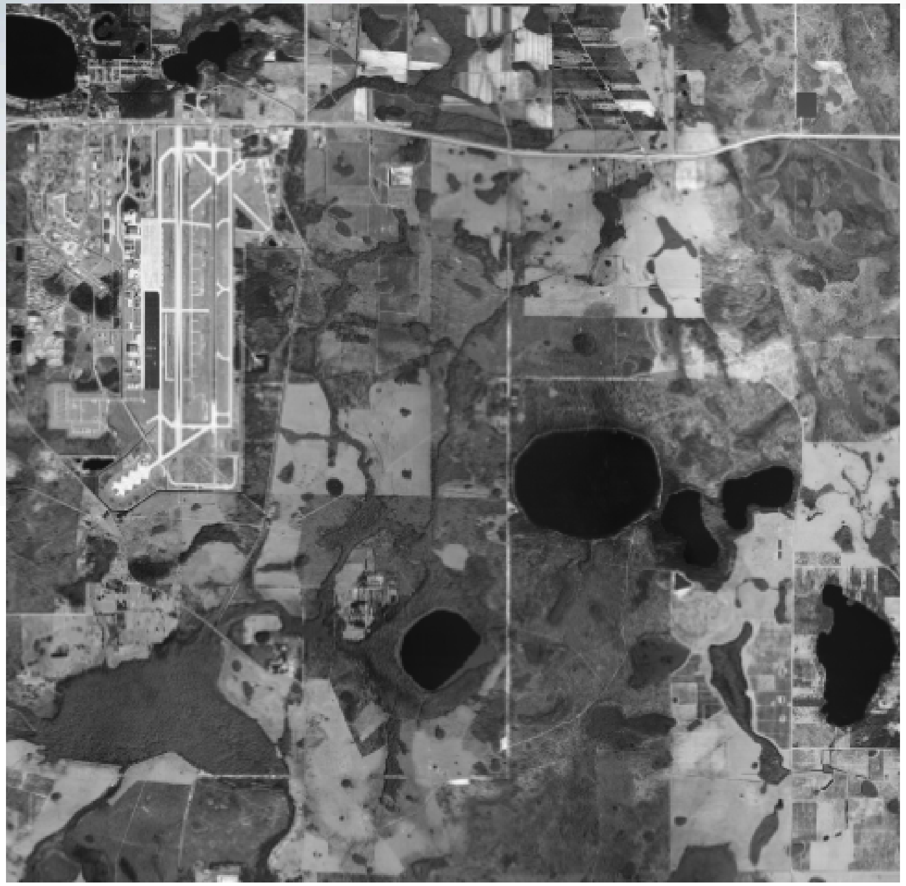
Southern Nevada Tourism and Transportation Task Force

Phil Brown, AAE

Executive Director, Greater Orlando Aviation Authority

January 28, 2016

In the Beginning…

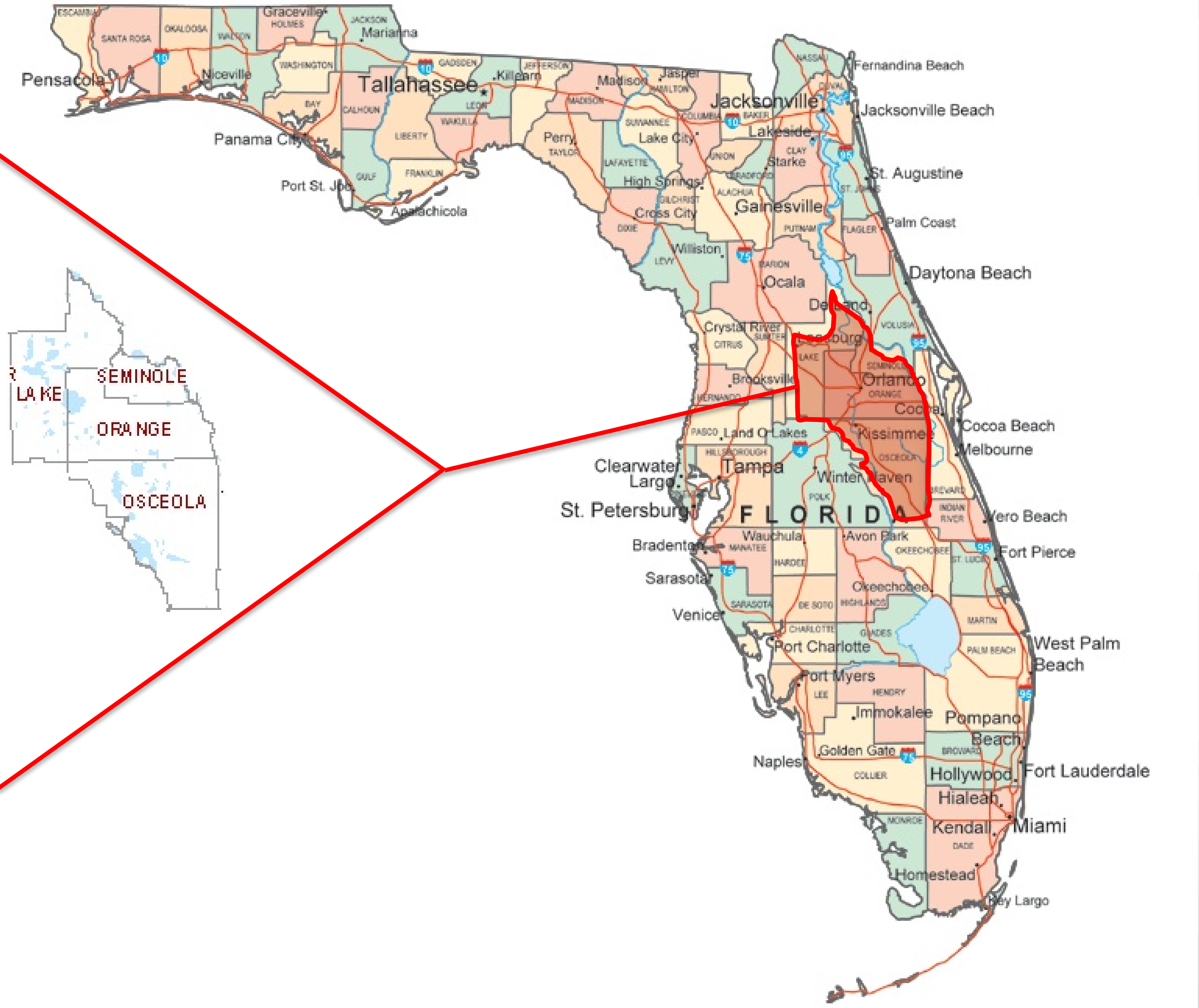


1978

2015

Orlando Metropolitan Profile:

- 4 County Area: Orange, Osceola, Seminole, Lake
- Population: 2.3 Million
- Area: 4,011 Sq. Miles
- Annual Visitors: 62 Million (2014)



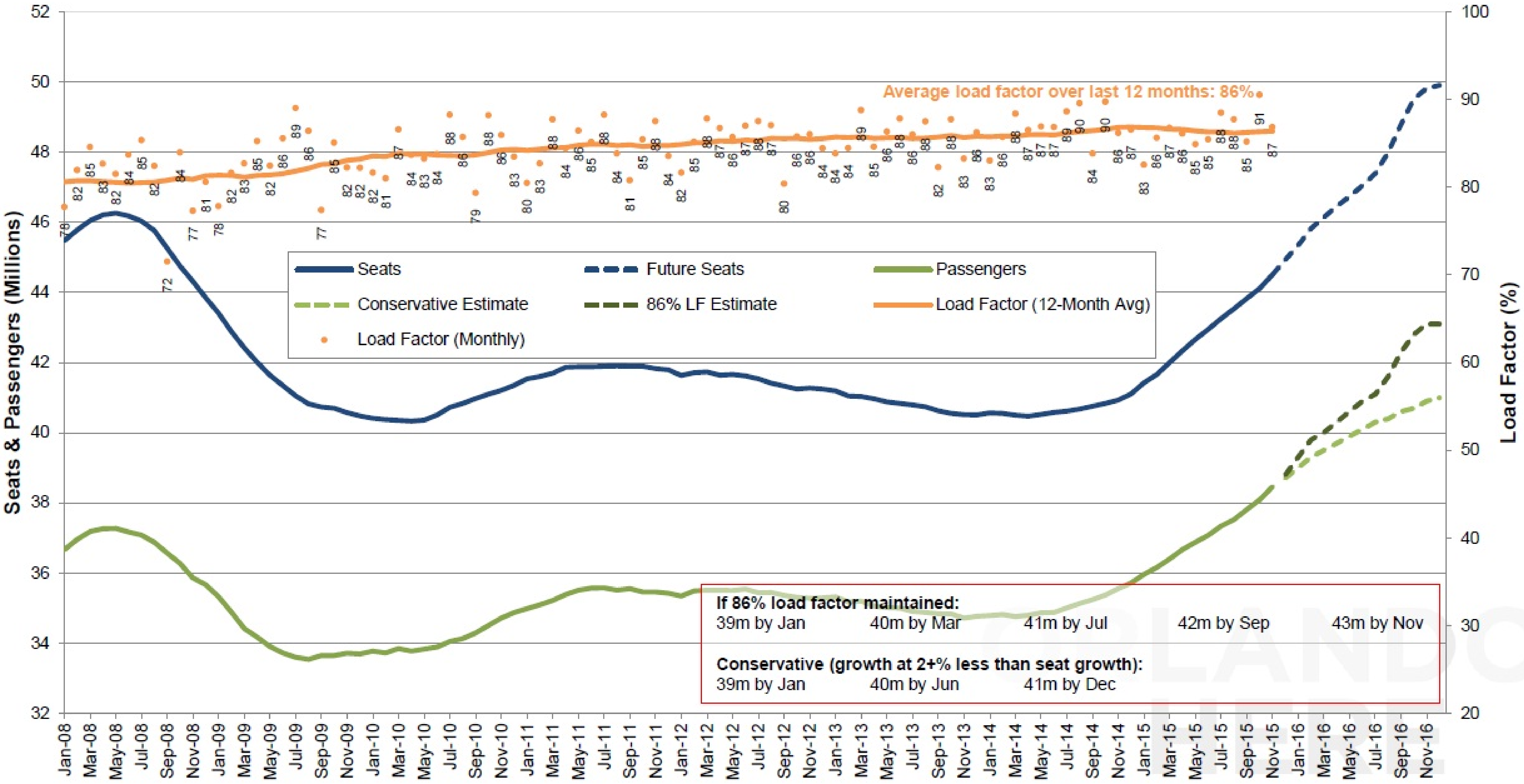
Orlando International By the Numbers

- 37.8 million passengers FY15
- 104,000 passengers daily (2015)
- Number of airlines
  - 39 total including 5 cargo
- 95% origin and destination traffic
- 18,000 employees
- 77 retail
- 48 food outlets

Orlando International By the Numbers

- 2nd busiest airport in Florida
- 76 non-stop U.S. destinations most in FL
- 50 international destinations
- 837 aircraft operations/day
- Largest airport Rental Car market
- 4th largest land mass in U.S.
- $31 Billion in annual direct + indirect revenue
- Passenger traffic
  - 14th in the nation
  - 43rd in the world

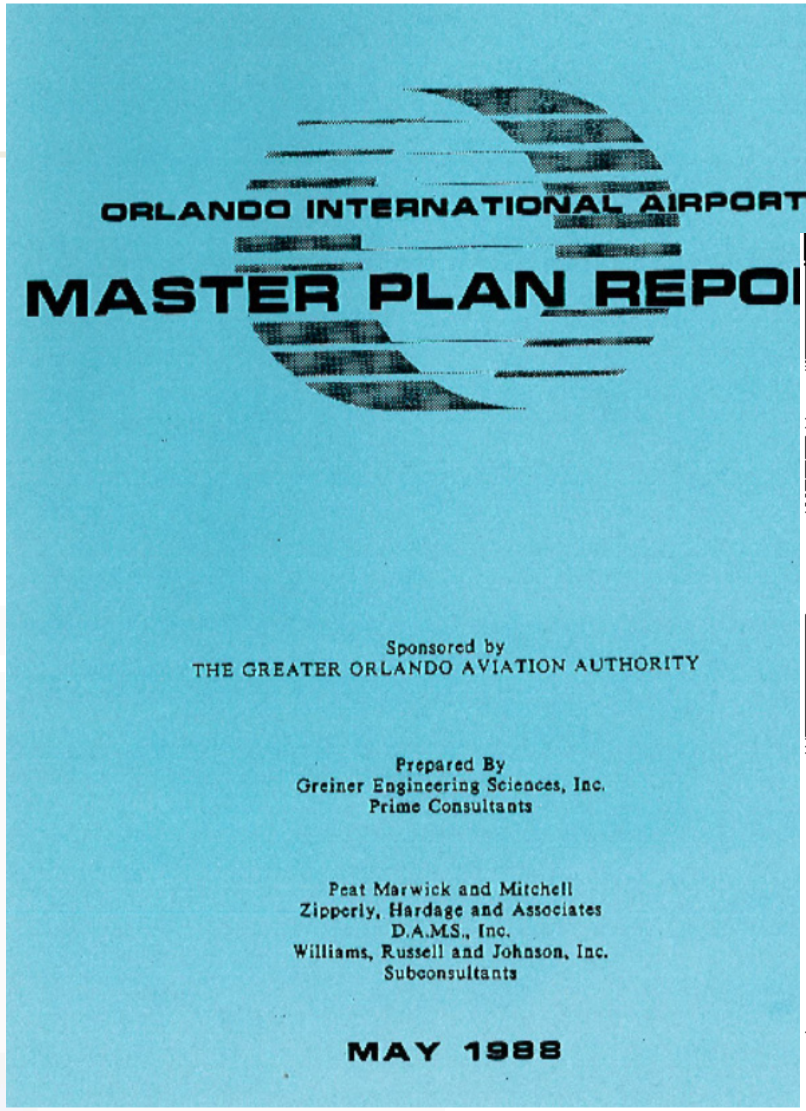
Passenger Traffic History & Estimate

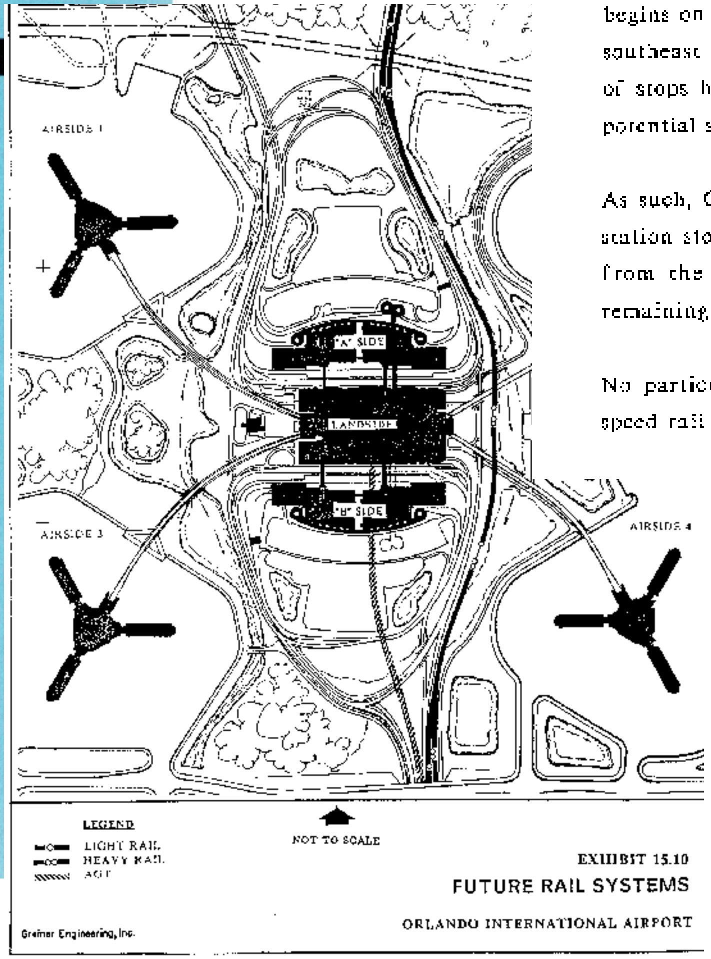


Source: Innovata flight schedules and GOAA Airline Landing Reports. Updated January 7, 2016.

Planes, TRAINS & Automobiles

Since the 1980's rail access to Orlando International Airport (MCO) has been incorporated to the airport plan.





15.3.2 **High Speed Train**

The State of Florida, as part of its long range transportation plan, is considering high speed rail, also shown on Exhibit 15.9, as part of a comprehensive effort to provide an effective, efficient modal split in its transportation plan. Preliminary studies have identified a corridor, which has terminals in the Tampa Bay and Miami areas. It begins on the West Coast, traveling east across the State through Orlando, then heading southeast along the I-95 corridor to Miami. While the potential stations and numbers of stops have yet to be fixed, Orlando International Airport has been identified as a potential station.

As such, Orlando International Airport has, as part of its master plan, provided for a station stop for the high speed rail system on the east side of the terminal. Traveling from the West Coast, the high speed rail system would come in from the south, remaining at-grade through the airport, and leaving to the north.

No particular time frame has been identified for potential construction of the high speed rail system.

Planes, TRAINS & Automobiles

Four modes of passenger rail can be accommodated

Inter-city

Light Rail

Commuter

Automated People Mover (APM)

Planes, TRAINS & Automobiles

Capital Funding

Of the 4 modes only the APM is eligible for funding from airport revenues provided that air passengers are being served by the APM

To the extent that other modes of rail do not serve air passengers then other funding sources must be utilized:

- Government grants or loans
- Capitalized fare box revenue (i.e. bonds secured by fare revenue)
- Private investment
- Development revenues
- Assessment on benefitting properties

Planes, TRAINS & Automobiles

Operation and Maintenance (O&M) Funding

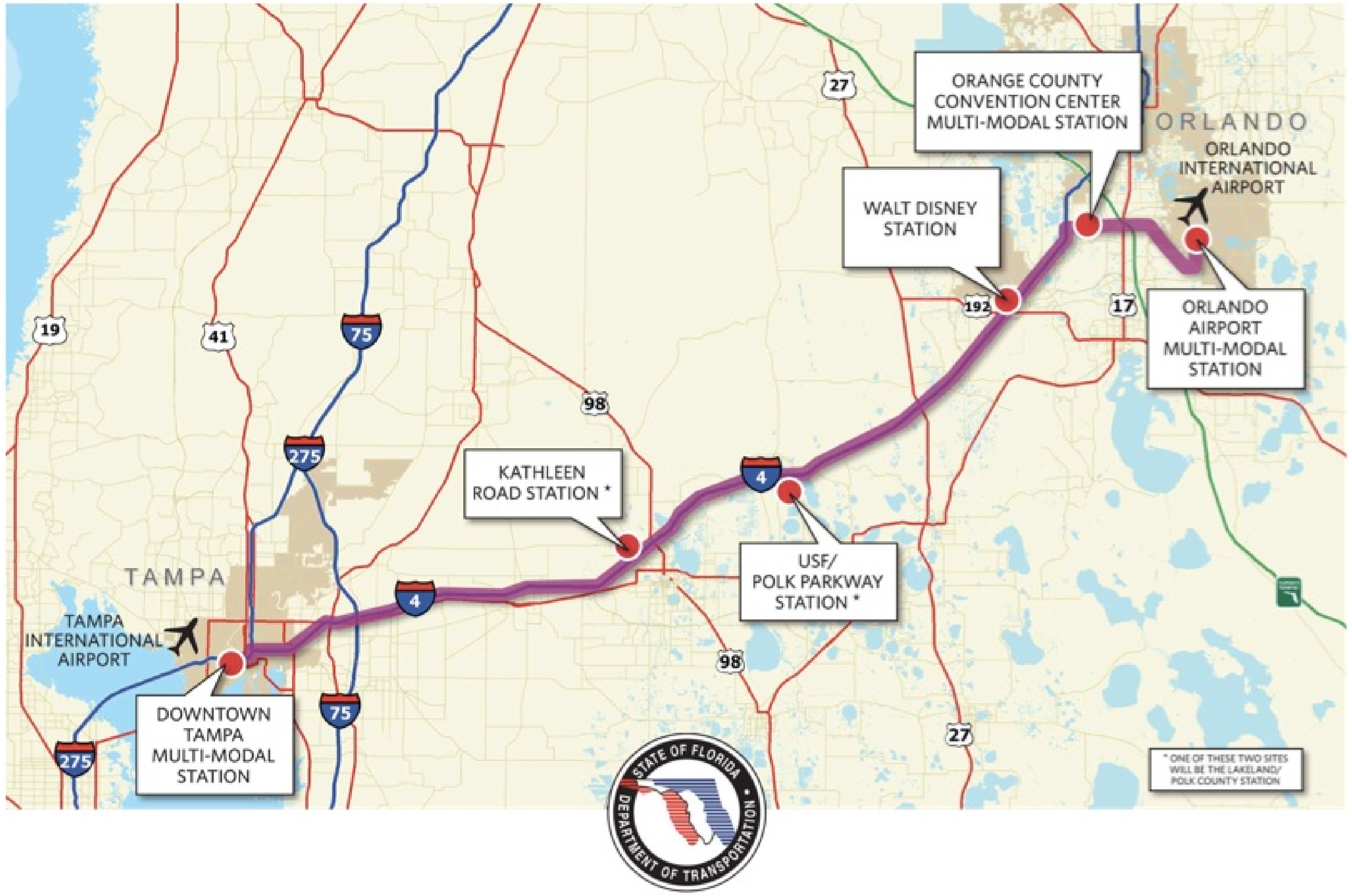
- Typically funding for O& M has been from user charges
- Historically the fare box has not been sufficient to fund O&M expenses

Planes, TRAINS & Automobiles

The Orlando Rail Experience

High Speed Rail – 2010

- Federally funded link between MCO and the City of Tampa
- MCO developed Intermodal Transportation Facility (ITF) to serve as hub for High Speed Rail
- Terminated by the State of Florida

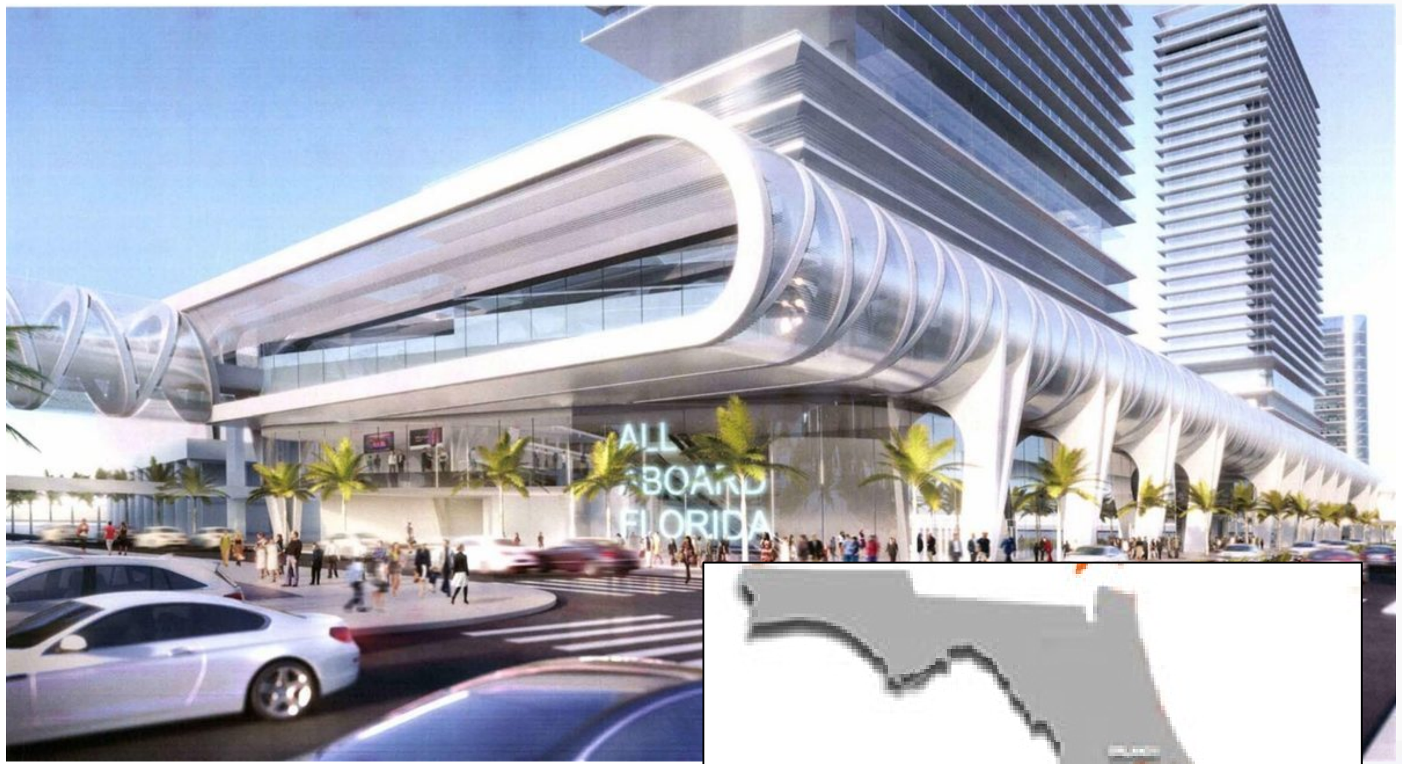


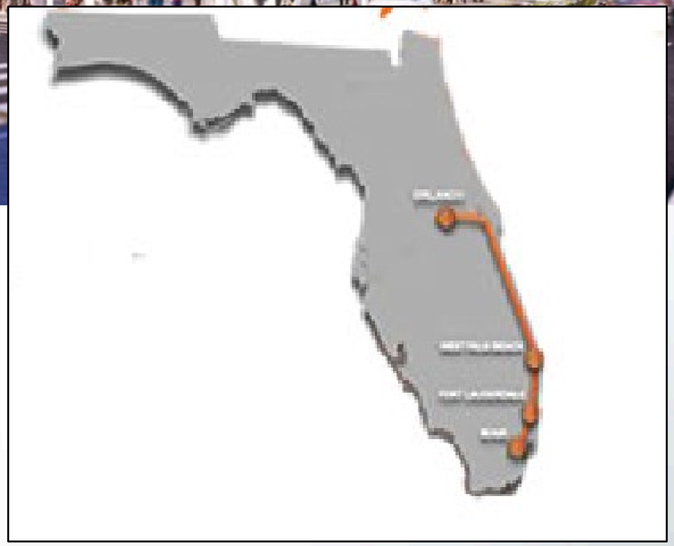
Planes, TRAINS & Automobiles

The Orlando Rail Experience

Inter-city link between MCO and Miami

- Funded by private equity funds
- Combination of equity investment and debt using Private Activity Bonds (PABs) secured by corporate revenues
  - PAB’s are unrated and have not been issued
  - Require state allocation of bond authorization
- Revenues from real estate development adjacent to rail stations is expected to be a significant source of funds





Planes, TRAINS & Automobiles

The Orlando Rail Experience

Commuter Rail

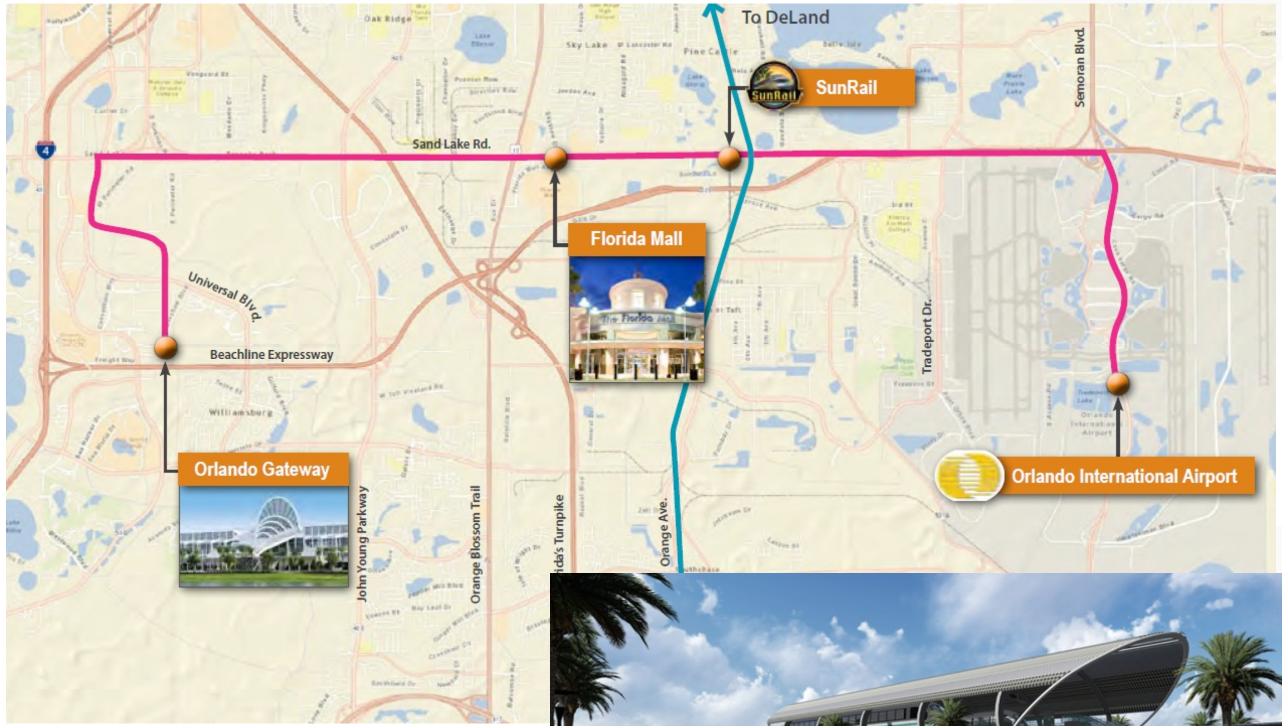
- State Legislature authorized the Central Florida Commuter Rail (Sun Rail) in 2010
- Capital Funding: Federal & State funds
- O&M: State Department of Transportation for first 7 years; local governments thereafter
- Airport connection approved in 2015
- Funding plan has not been finalized

Planes, TRAINS & Automobiles

The Orlando Rail Experience

Light Rail – Florida EMMI, Inc

- Originally proposed as a magnetic levitation (MagLev) system
- Current Proposal is for Light Rail Transit (fixed guideway)
- Capital Funding: private funding from investor/operator Globalvia, S.A.
- O&M funding: system fare box
- 14-mile alignment from MCO to Orange county Convention Center
- Negotiations pending



Planes, TRAINS & Automobiles

The Orlando Rail Experience

Automated People Mover (APM)

- Capital Funding: Passenger Facility Charges (PFC’s)
- Capital Costs: $181 Million
- O&M: Airport Revenues
- Alignment: 1.5 miles connecting MCO’s North Terminal Complex (NTC) to the South APM Complex

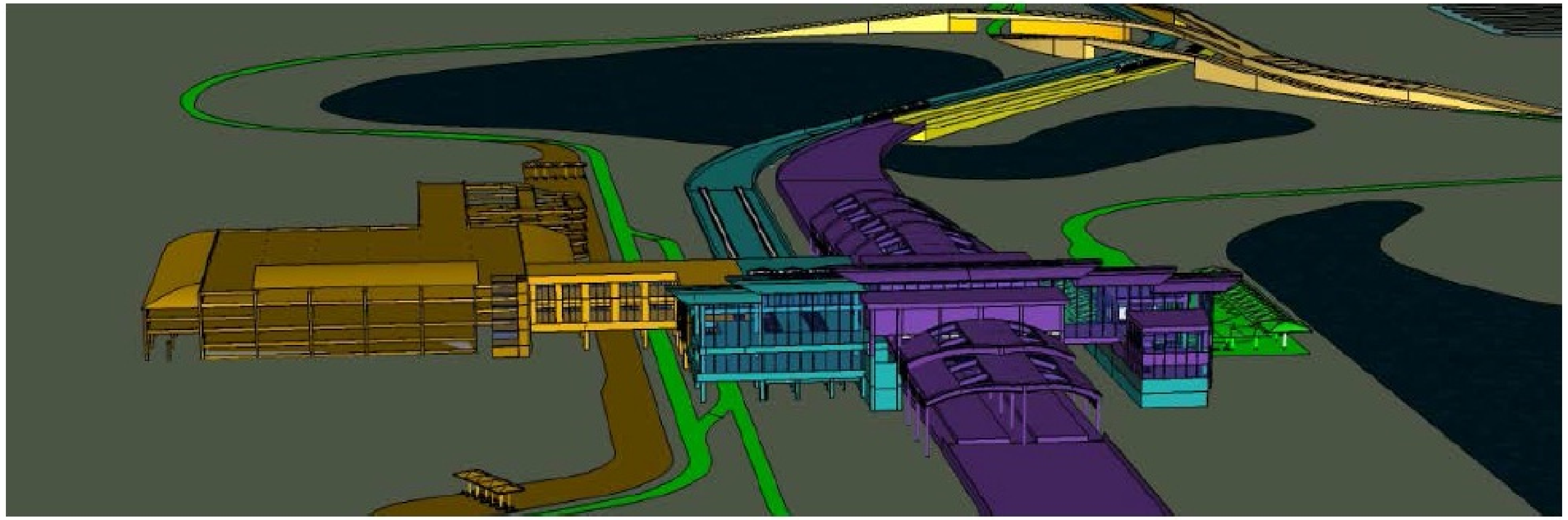
Planes, TRAINS & Automobiles

The Orlando Rail Experience

Intermodal Terminal Facility

- Complex Funding Structure
- Passenger Facility Charges (PFCs)
- State Grants
- Airport Revenues
- Private Investment

Color	Type of Funding	Scope Element
Purple	FDOT and tenants	Intermodal Terminal Facility
Gold	FDOT SIS Grant and PFC 17	Jeff Fuqua Boulevard Improvements
Aquamarine	PFC 17 and GOAA Funds	APM System, APM guideway and stations
Green	PFC 17 and GOAA Funds	Public roads and curbs
Gold	Customer Facility Charges (CFC's)	Parking garage, roads and toll plazas & skybridges
Yellow	AAF tenant improvements	Rail corridor



Planes, TRAINS & Automobiles

MCO has been the focus of various rail initiatives because of a number of factors

- Planning and growing to accommodate rail alignments
- Growing Economy
- Increasing Air Traffic: 38.3 million annual passengers (November 2015)
- Growing Visitor Population

Planes, TRAINS & Automobiles

Questions?

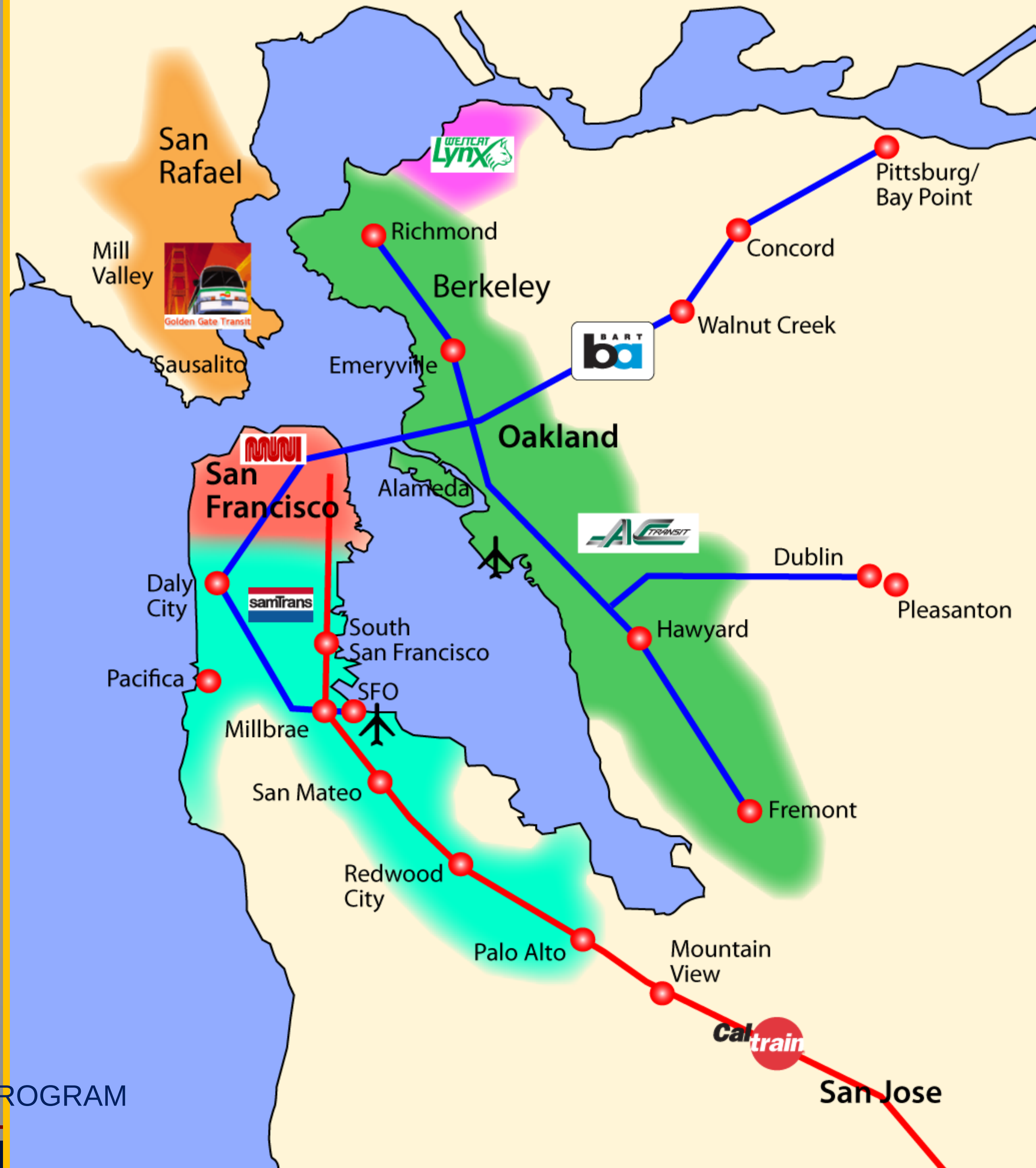
Transbay Transit Center Program Overview

Steve Heminger, Executive Director
Metropolitan Transportation Commission

Southern Nevada Tourism Infrastructure Committee

January 2016

Transbay Service Providers



Benefits of Transbay Program

- **Transbay Program will improve access to transit for:**
  - **Jobs** – 180,000 jobs within ½ mile
  - **Housing** – 8,000 new units in vicinity
  - **11 acres of new open space**
  - **Hotels** – new hotel capacity
  - **Retail** – throughout new neighborhood

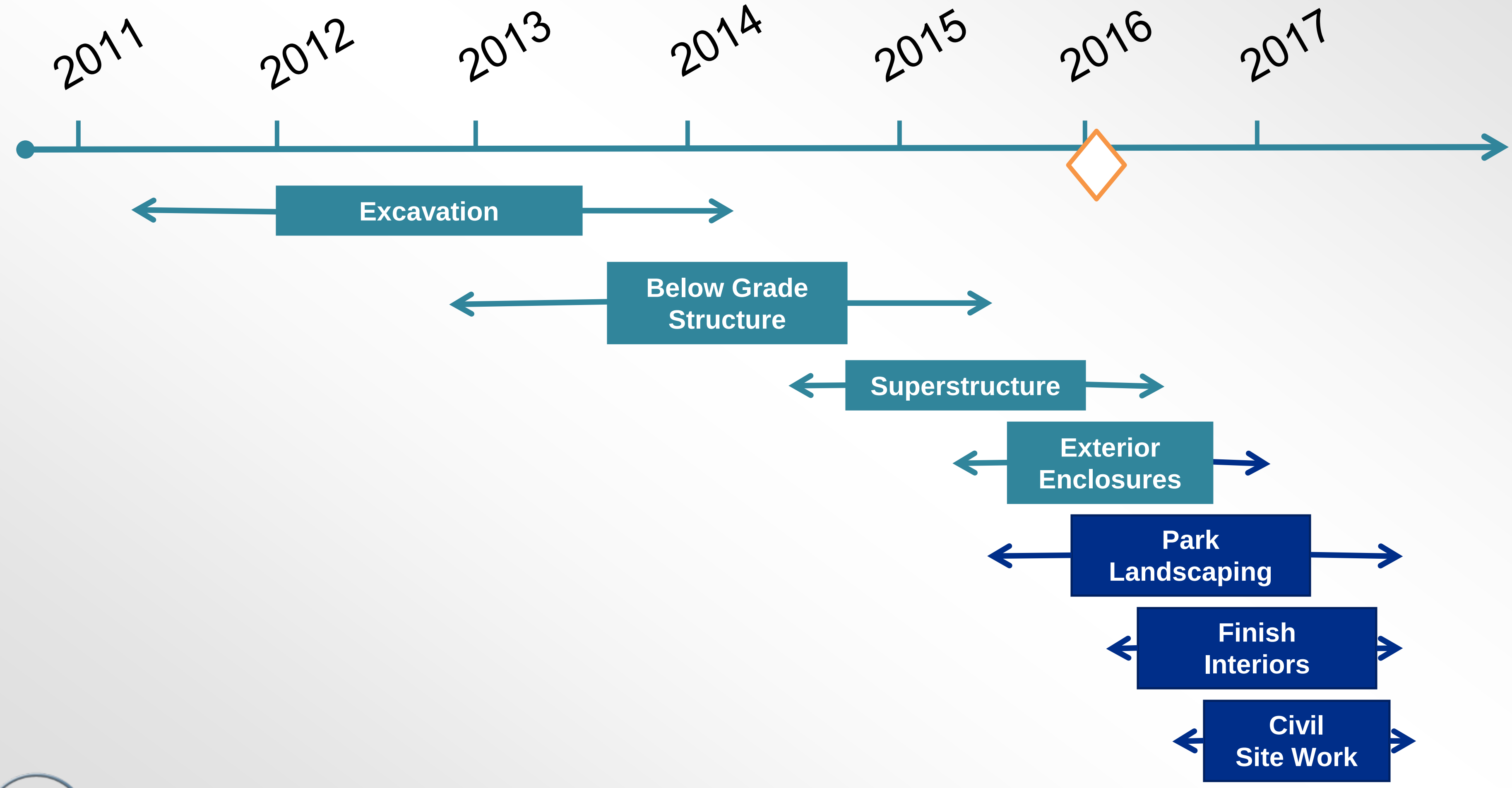
Phase 1

TRANSIT CENTER

BUILDING SECTION

Grand Hall

Construction Timeline Summary

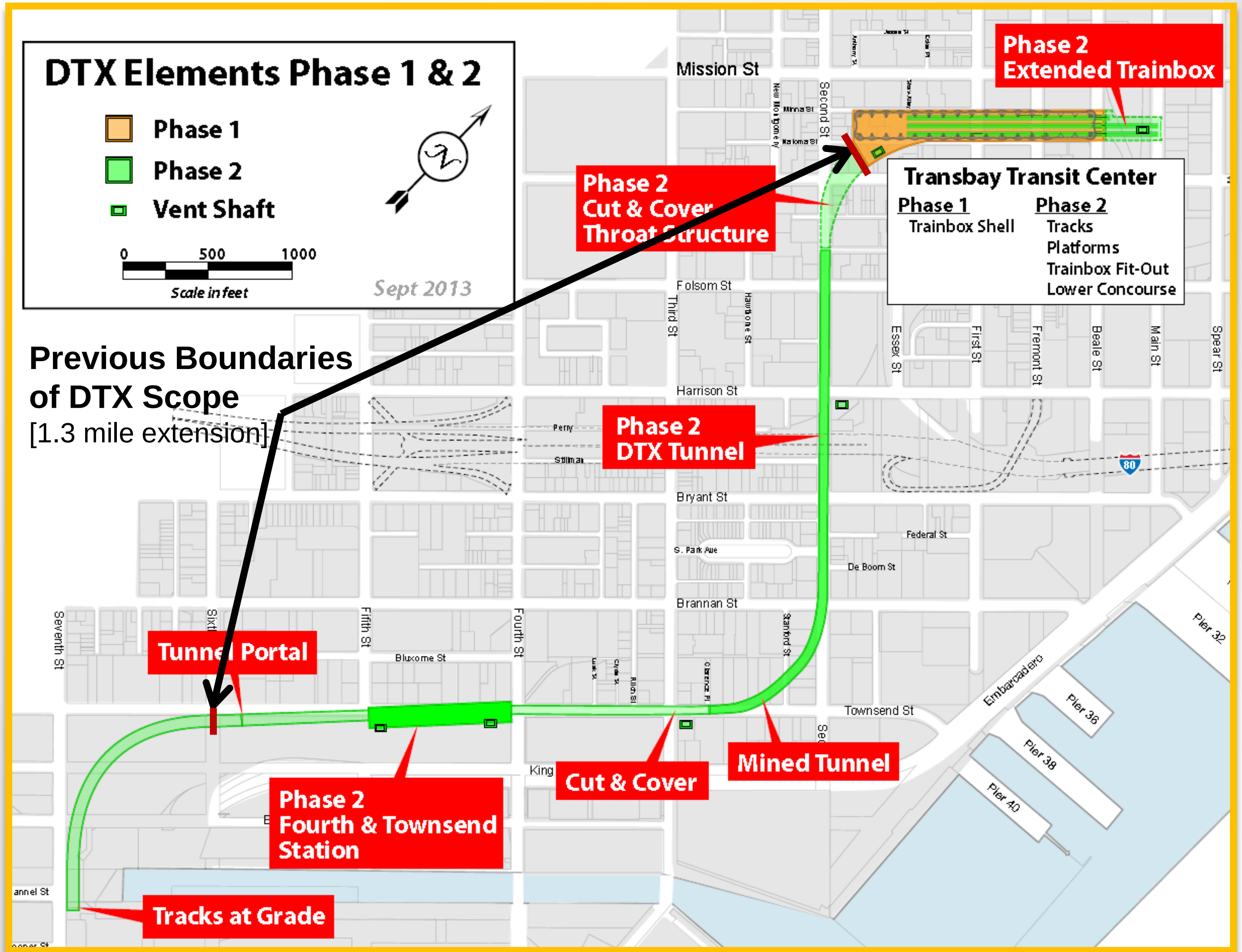


Phase 2

DOWNTOWN EXTENSION [DTX]

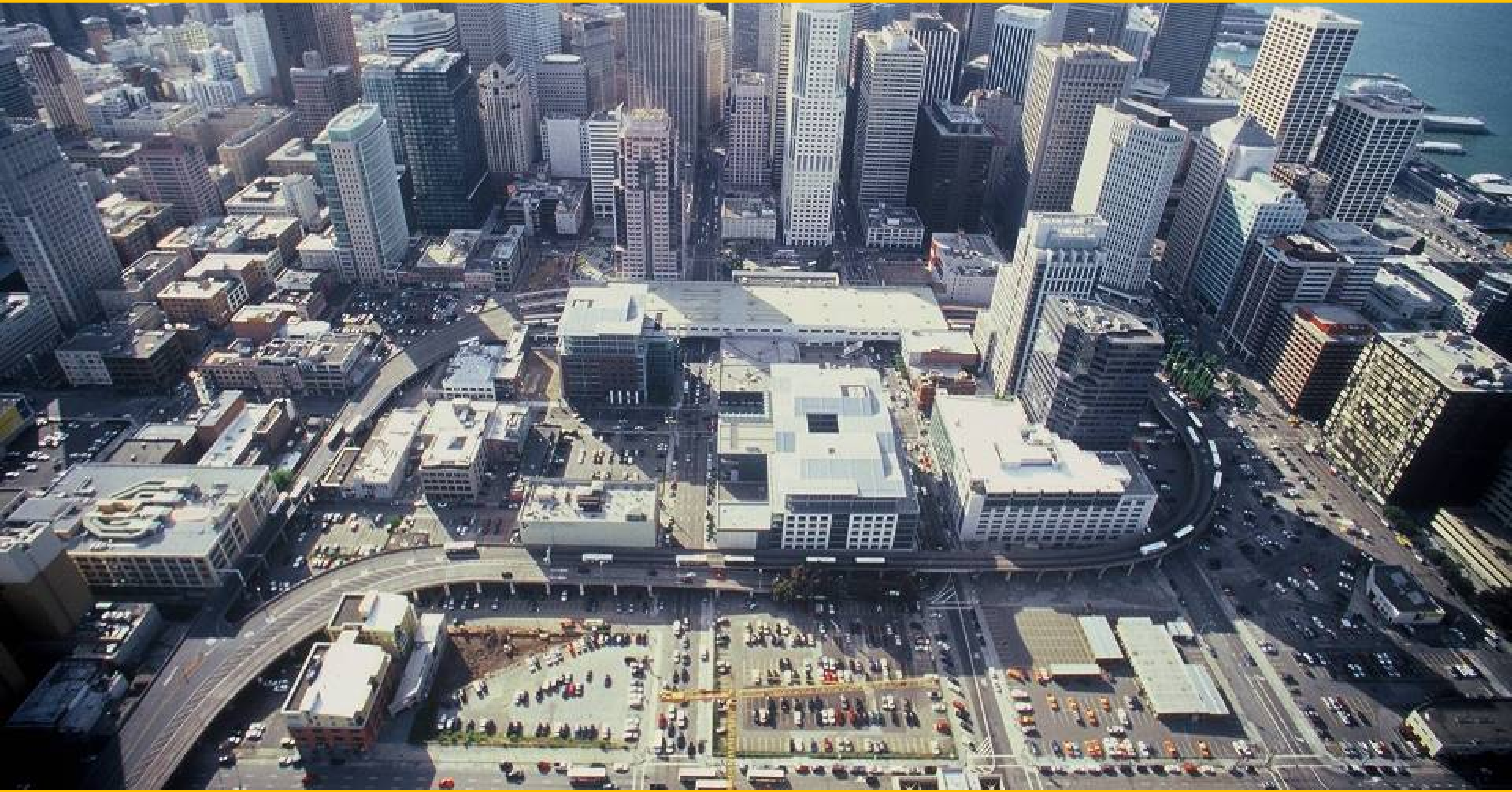

Transbay Transit Center
Existing Caltrain Station
Downtown Core

DTX Elements



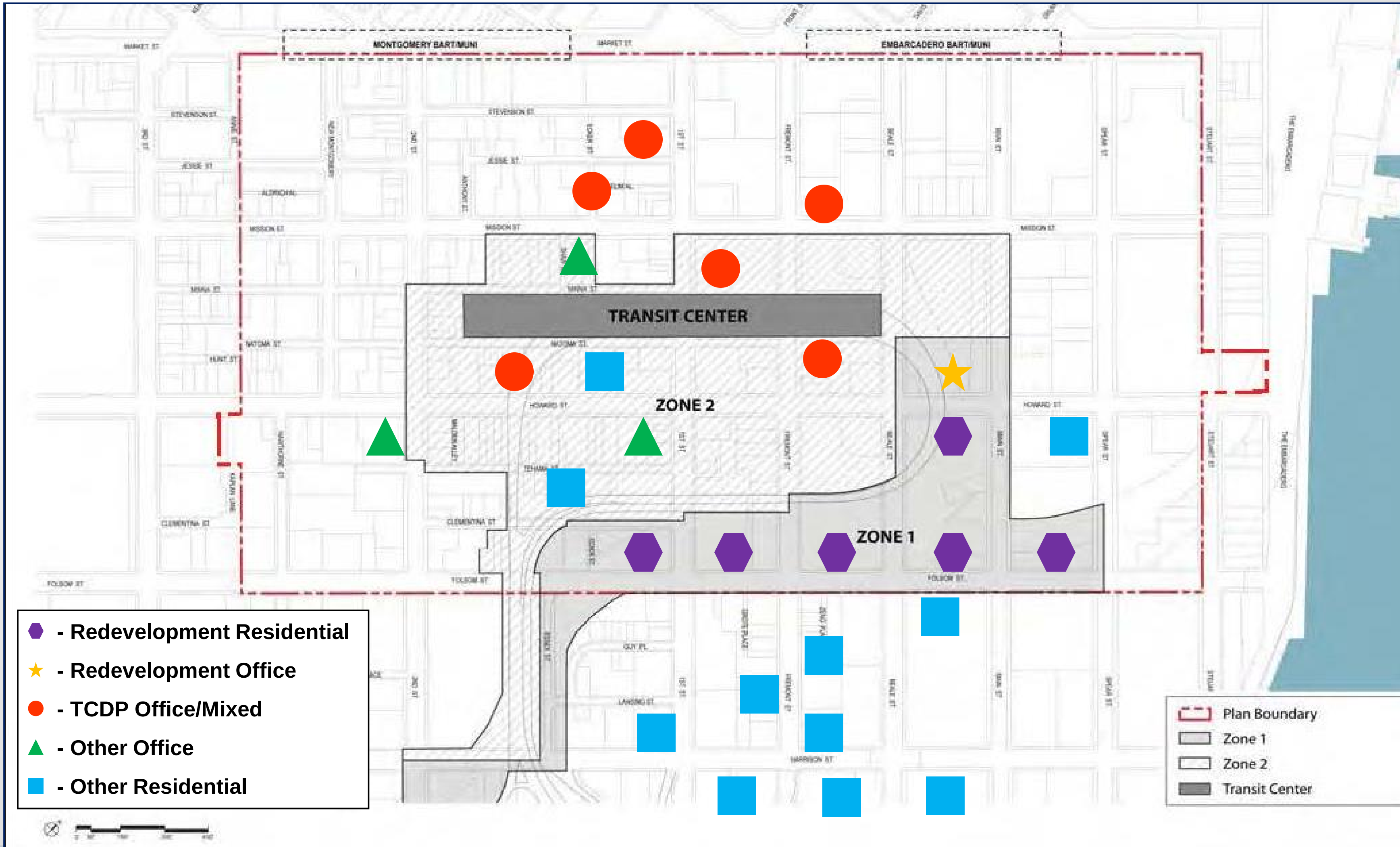
NEW NEIGHBORHOOD

Transbay Project Area



New Neighborhood

Development Projects Pipeline



Project Cost and Funding

Phase 1 Funding Source	Amount ($ millions)
Land Sales	670
FRA Grant	403
TIFIA	171
MTC Bridge Tolls	347
SF Local Sales Tax	139
Transit Operator Contribution	39
Misc. State and Local	33
FTA Grants	62
Mello-Roos/Financing	395
Total	**2,259**

Phase 2 Proposed Funding Source	Amount ($ millions)
Land Sales	10-60
Future High Speed Rail	557
FTA New Starts	650
New Bridge Tolls	300
New/Augmented Sales Tax	350
SF Local Sales Tax (Current)	79
Bridge Tolls and Other Local	26
Mello-Roos Special Tax	365-465
Tax Increment Residual/Ext.	670-870
Pssgr. Facility Charge/contrib.	400-600
Total	**3,407-3,957**

For more information go to:
WWW.MTC.CA.GOV

METROPOLITAN TRANSPORTATION COMMISION

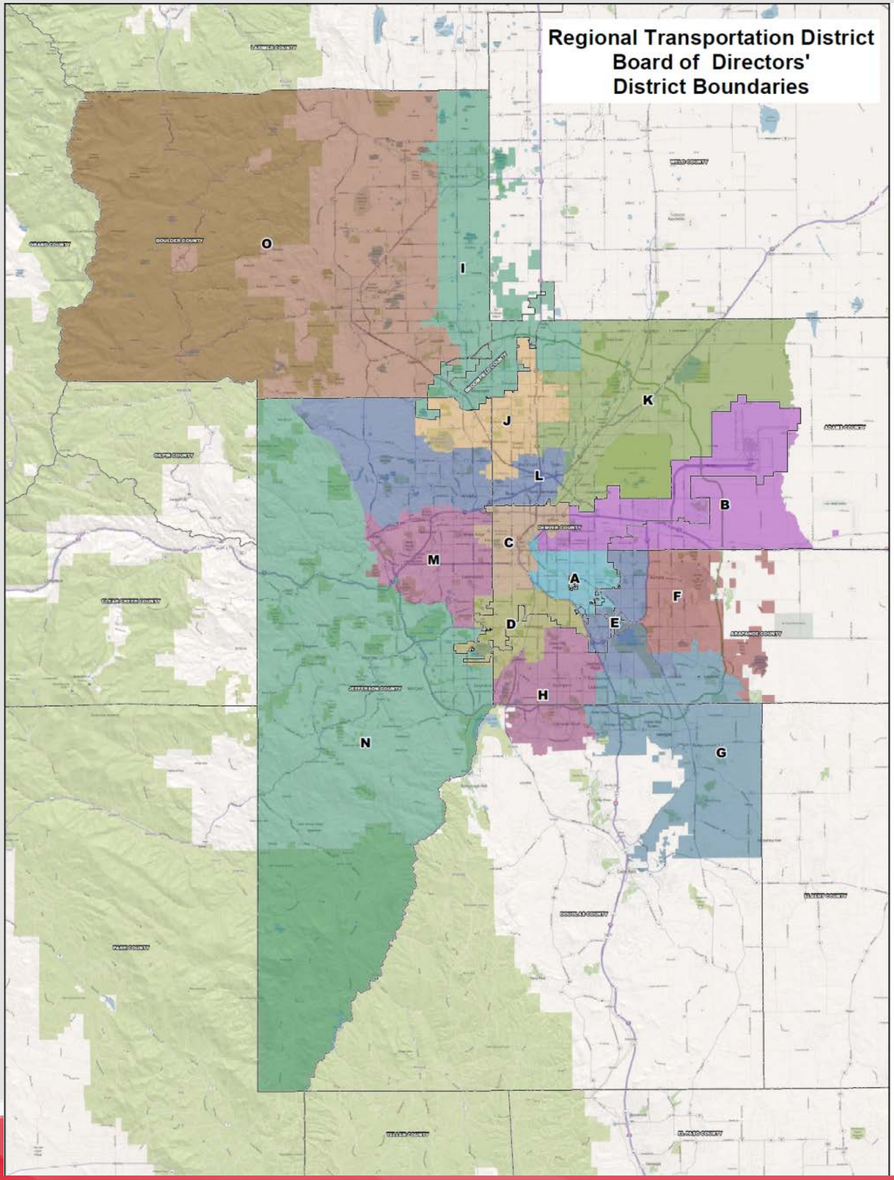
RTD FasTracks

October 2015

RTD FasTracks

Regional Transportation District

- Created in 1969
- Eight-county service area
- Service area: 2,340 sq. miles
- 2.8 million population
- 15 elected Board members
- 1 percent sales tax
  - .6 base system
  - .4 FasTracks
- 2,654 employees



RTD FasTracks

Regional Transportation District (cont.)

- 1,011 buses
- 172 light rail vehicles
- 137 fixed bus routes
- 77 park-n-Rides
- 9,509 bus stops
- 48 miles of light rail
- 46 light rail stations
- 104 million annual boardings
- Seven operating facilities
- Two administrative facilities

The RTD FasTracks Plan

RTD FasTracks

- **122 miles of new light rail and commuter rail**
- **18 miles of Bus Rapid Transit (BRT) service**
- **31 new Park-n-Rides; more than 21,000 new parking spaces**
- **Enhanced Bus Network & Transit Hubs (FastConnects)**
- **Redevelopment of Denver Union Station**
- **57 new rail and/or BRT stations**
- **Opportunities for Transit Oriented Communities**

RTD FasTracks

Commuter and Light Rail Technology

- Light rail
  - Lighter in weight, smaller, designed to make more stops, better turning radius and city street operation
- Commuter rail
  - Heavier, larger, faster, carries more people, fewer stops, compliant for railroad corridors

FasTracks Status

- West Rail Line (W Line)—First FasTracks line to open—April 2013
- Denver Union Station—Bus Concourse opened May 2014
- East/Gold/Northwest Rail Lines (EAGLE)—more than 80% complete; live testing underway
- I-225 Line—nearly 65% complete
- U.S. 36 BRT—Phase 1 of managed lanes complete, Phase 2—65% complete
- North Metro Line—Construction has begun on the Skyway Bridge, the longest in the state.
- Southeast Rail Extension—A two-phased contract was awarded to Balfour Beatty Infrastructure Inc. (BBII) to design and build the Southeast Rail Extension by early 2019.

RTD FasTracks

Union Station Grand Opening

Denver Union Station

- $484 million project
- Multimodal hub integrating light rail, commuter rail, Amtrak, buses, taxis, shuttles, bikes and pedestrians
- Partners include RTD, Colorado Dept. of Transportation, City and County of Denver, Denver Regional Council of Governments
- Historic building developed into boutique hotel, restaurants and retail stores
- Bus concourse opened in May 2014
- Historic building opened in July 2014

1

1900 16th STREET
(September 2009)

17 Story Office Building featuring Retail & Living Space

2

DAVITA WORLD HEADQUARTERS
(August 2012)

14 Story Office Building featuring Parking

3

NORTH WING BUILDING: IMA FINANCIAL PLAZA
(November 2013)

5 Story Office Building ft. Retail, Restaurants & Parking

4

SOUTH WING BUILDING: ONE UNION STATION

5 Story Office Building featuring Retail

5

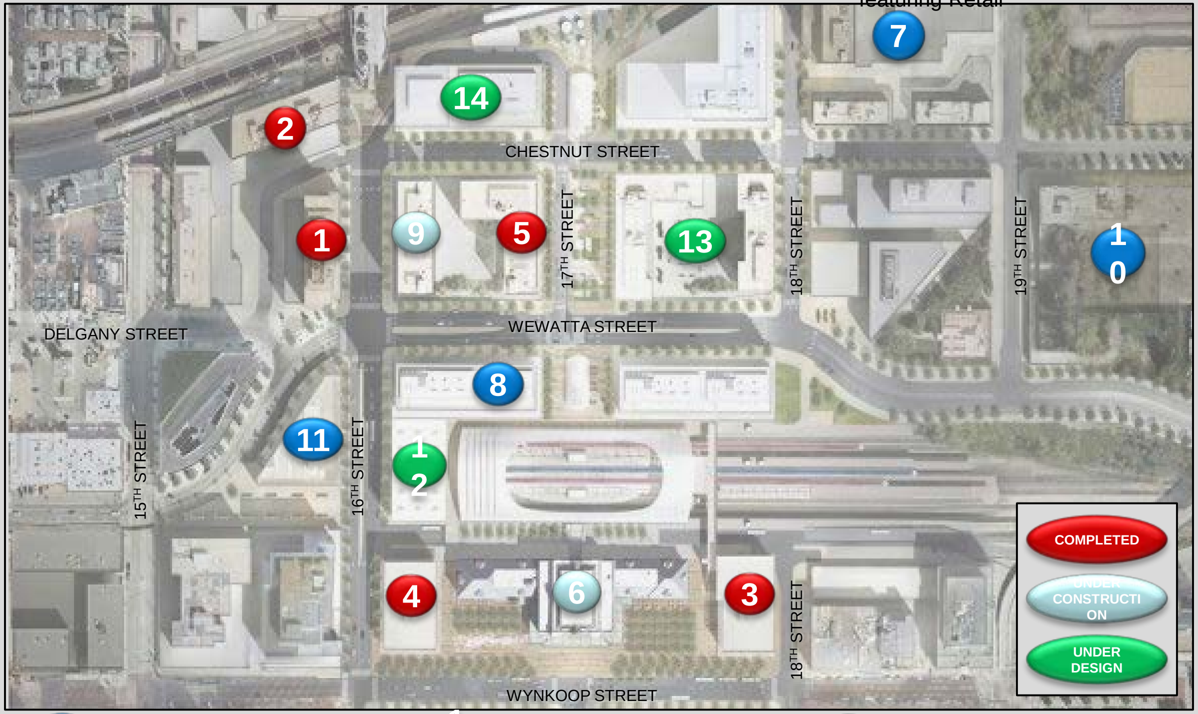
CADENCE APARTMENTS
(Fall 2013)

13 Story, 219 Apartment Building ft. Retail & Parking

14

16 CHESTNUT
(TBD)

18 Story Office Space featuring Parking & Retail



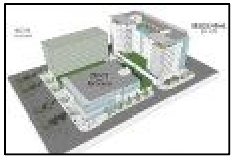
6

HISTORIC DENVER UNION STATION
(Summer 2014)

112 Room Boutique Hotel & Retail

13

17 WEWATTA
(Spring 2015)



250 Unit Apartment ft. 150 Room Hotel, Office, & Grocery Space

7

ALTA CITY HOUSE
(Spring 2014)

5 Story, 281 Unit Apartment Building

12

16th & WEWATTA: OFFICE BLDG & HOTEL

5 Story Office Building, 160 Room Hotel, & Retail

11

TRIANGLE PARCEL: 16 WEWATTA
(Spring 2015)

11 Story Office Building ft. Parking, Retail, & Office Space

10

20th & CHESTNUT KING SOOPERS
(Late 2014 – Early 2015)

312 Unit Apartment featuring King Soopers Grocer

9

1601 WEWATTA
(2015)

10 Story Office Building ft. Retail & Parking

8

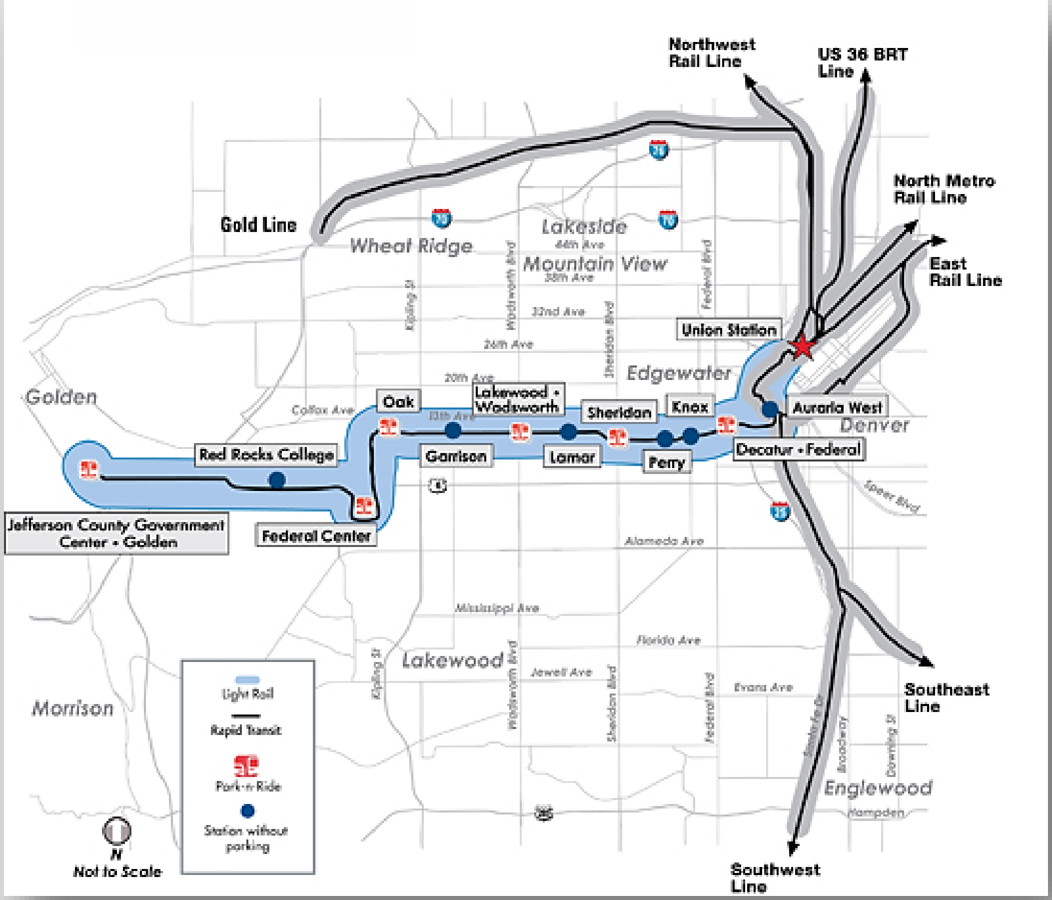
1650 WEWATTA
(December 2014)

21 Story, 290 Unit Apartment Building ft. Retail & Parking

MARCH 2015

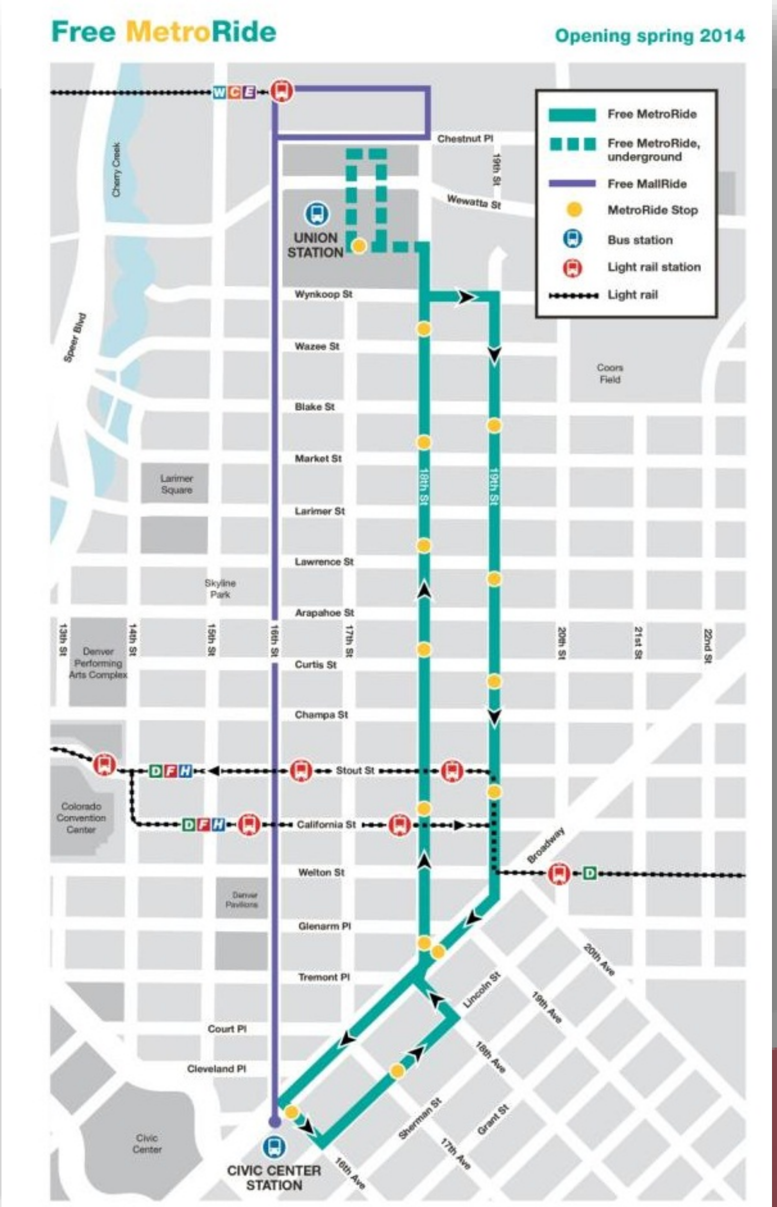
West Rail Line

- 12.1 miles of light rail (Union Station to Jeffco Gov't Center)
- 12 Stations
- 5,605 parking spaces
- Daily Ridership:
  - Current: 14,000+ (Jeffco to DUS)
  - 29,700 for 2030
- Train Frequency:
  - Auraria Campus to Federal Center
    - 7.5 minutes (peak)
    - 15 minutes (off peak)
  - Federal Center to Jeffco Government Center
    - 15 minutes



Free MetroRide

- Additional transit capacity between DUS and Civic Center
- Free service will complement Free MallRide service; runs along 18th and 19th streets
- Stops two to three blocks apart for faster travel than MallRide
- Service began May 2014



Free MetroRide service will run every 5 minutes during peak rush hours: 6–9 a.m. and 3–6 p.m., Monday – Friday

RTD FasTracks

Eagle P3 Project

- Includes East Rail Line, Gold Line, first segment of Northwest Rail and commuter rail maintenance facility
- Project Funding—$2.2 billion
  - $1.03 billion funded by federal grant
- Opening in 2016

Eagle P3 Project

- RTD pursued concept of P3 in 2007
  - "The Perfect Storm"
    - Costs skyrocketed
    - Revenues plummeted
- First transit P3 of this magnitude in the U.S.
- RTD retains ownership of assets
- 34-year contract
  - 6 years design/build
  - 28 years operate/maintain
- More public entities are turning to P3s to build out their projects

East Rail Line

- A Line
- Opening in Spring 2016
- 37-minute trip
- 23-mile commuter rail connecting downtown Denver to DIA via Aurora
- Electric Rail Cars

East Rail Construction Progress

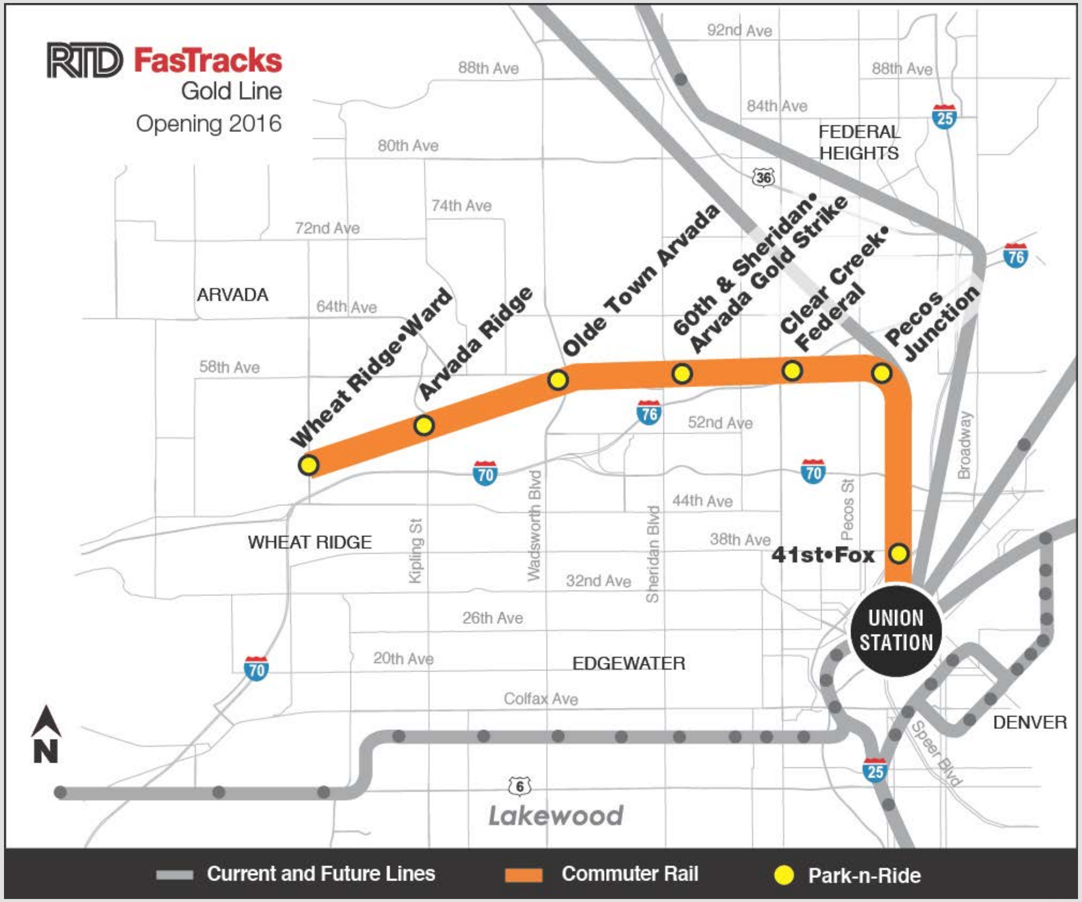
Start of work day on East Rail Line track west of Havana Street, looking west

RTD FasTracks

East Rail Construction Progress

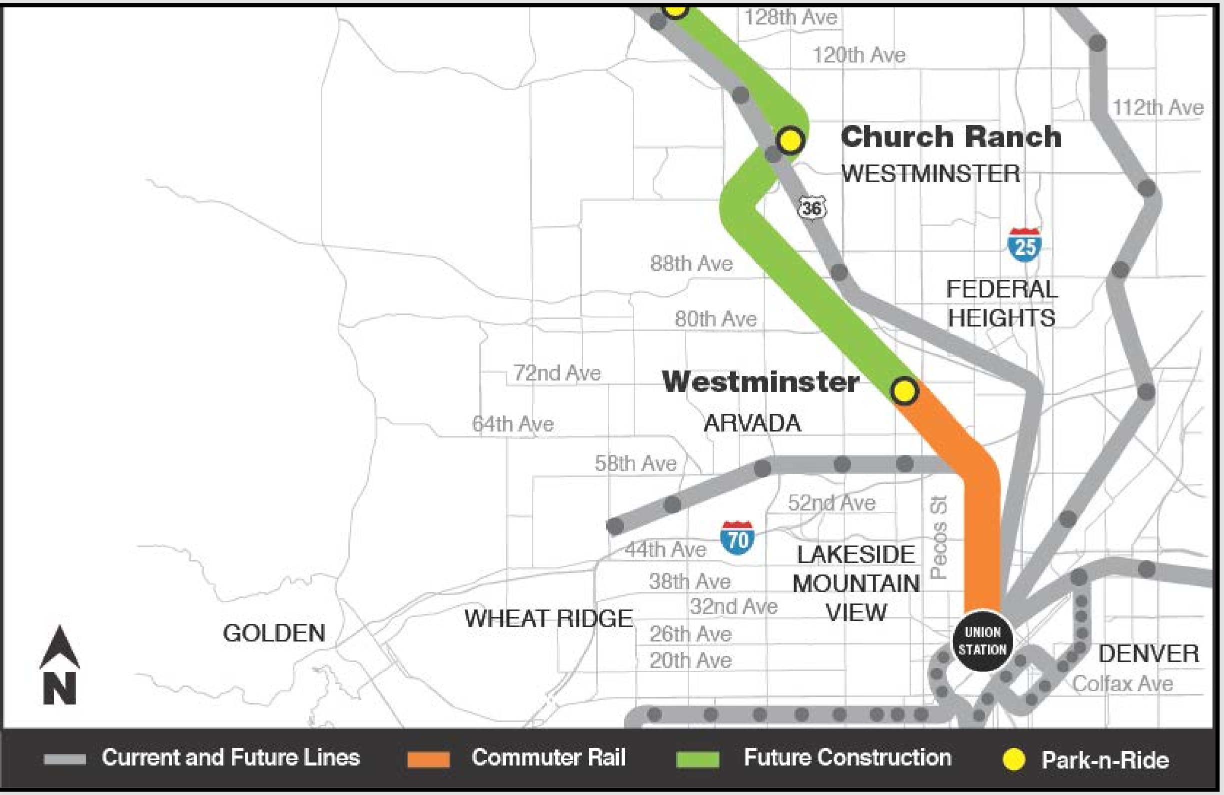
Commuter rail platform at the Denver Airport station, Westin Hotel in the back

Gold Line



- 11.2 miles electric commuter rail
- 7 Stations
- 25-minute travel time to Ward Road
- Opens in fall 2016

Northwest Rail Line – Segment 1



- 6.2 miles electric commuter rail
- Downtown to Westminster at the 71st/Lowell Station
- 11-minute travel time to Westminster
- Opens in summer 2016

I-225 Rail Line

- 10.5 mile light rail extension
- Starts at existing Nine Mile Station
- 8 stations
- Serves the Aurora City Center
- Serves the Anschutz / Fitzsimons Campus
- Will serve the new VA Hospital, including 60,000 military veterans and their families
- Provides connectivity to East Rail Line at the Peoria Station
- Opening in winter 2016

RTD FasTracks

North Metro Rail Line

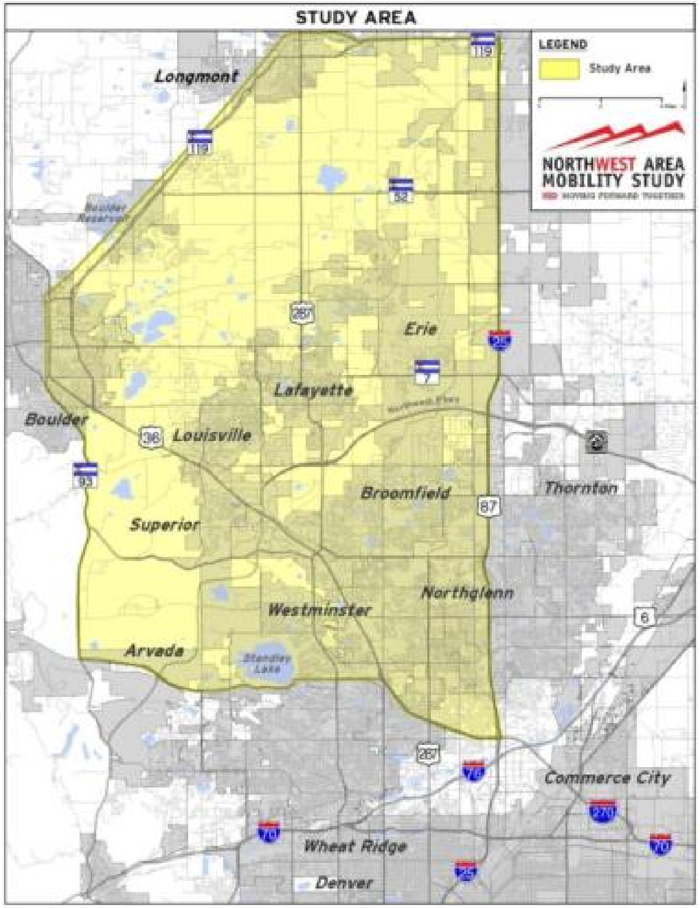
- Design-build contract awarded in November 2013
- First phase from Denver Union Station to 124th in Thornton will open in 2018
- Groundbreaking on March 20, 2014
- RTD can exercise an option with the contractor to complete the line to 162nd as funds become available

US 36 Bus Rapid Transit (BRT)

RTD FasTracks

- 18 miles of Bus Rapid Transit (BRT) between downtown Denver and Boulder
- Opens in January 2016
- Only non-rail line in FasTracks
- Collaboration with CDOT
- RTD's BRT Vision
  - Frequent and reliable BRT service, same or better than light rail and commuter rail
  - Specialized "branded" buses run in managed lanes
  - Permanent BRT stations
  - Real Time Transit Information
  - Coordinated effort with stakeholders to establish BRT service standards

Northwest Area Mobility Study



- Determined transit priorities in the region. The 13-month study addressed five key issues.
- RTD Board adopted the following consensus:
- **US 36 Bus Rapid Transit (BRT)**: Complete remaining FasTracks-funded U.S. 36 BRT commitments.
- **Two Priority Arterial BRT Corridors**: Conduct advanced planning and design of arterial BRT on Colorado 119 and U.S. 287. New funding must be identified for these and other arterial BRT corridors.
- **I-25 Reverse Commute Solutions**: Work with the Colorado Department of Transportation to evaluate I-25 reverse commute solutions between Denver Union Station and Pecos Street.
- **Northwest Rail**: Annually evaluate strategies to accelerate implementation of Northwest Rail, while recognizing it is a longer term goal.
- **Additional Arterial BRT**: Consider implementing additional arterial BRT/enhanced bus corridors (Colorado 7, South Boulder Road, 120th Avenue, Colorado 42/95th Street and 28th Street/Broadway).

Southeast Extension

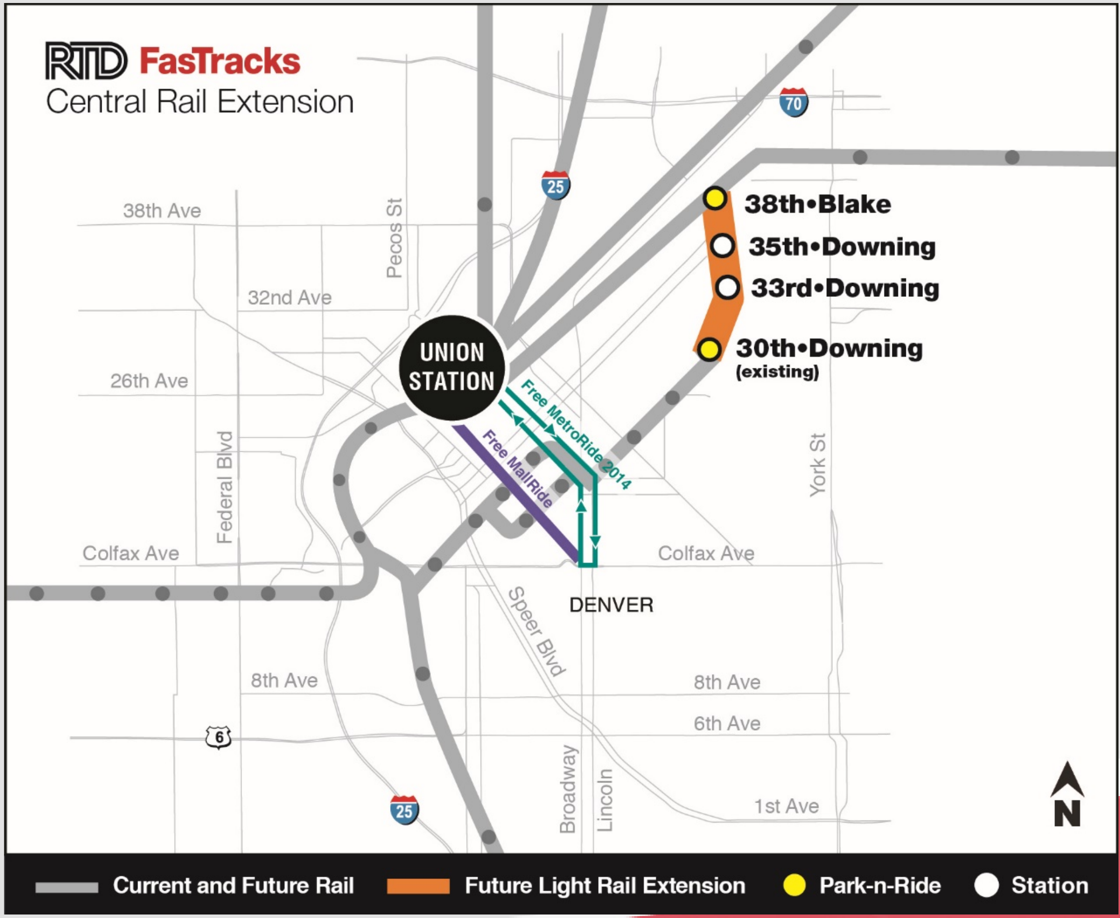
- Extends Southeast Light Rail by 2.3 miles from Lincoln Avenue to RidgeGate Parkway
- Three new stations:
  - Sky Ridge Medical Center
  - Lone Tree City Center
  - RidgeGate
- RTD is seeking $92 million federal grant
- Southeast partners have committed to contributing $25 million in cash and $15 million in right-of-way, permits and other in-kind contributions
- Scheduled to open in 2019

Southwest Extension

- Extends Southwest Light Rail by 2.5 miles from Mineral Station into Highlands Ranch
- New end-of-line station at C-470•Lucent Boulevard with a 1,000-space Park-n-Ride
- Environmental Evaluation adopted by RTD Board February 2010
- Working with area stakeholders to move project forward

Central Rail Extension

- Extends rail 0.8 miles from 30th•Downing to 38th•Blake
- Adds two new stations: 33rd•Downing & 35th•Downing
- Connects downtown light rail loop to East Rail Line at 38th•Blake
- RTD staff is continuing with advanced basic engineering as well as updating financial estimates



Success in Securing Federal Funds

- $1.3 billion in Full Funding Grant Agreements
  - $1.03 billion FFGA awarded in 2011 for East Line and Gold Line
  - $308 million awarded for West Line in 2009
- $280 million TIFIA loan awarded for Eagle P3
  - Has freed up cash for other projects
- $301 million loans for Union Station
  - RRIF loan - $155 M
  - TIFIA loan - $146 M

Transit Expansion Initiatives

- “Guide the Ride” transit expansion failed in 1997
  - 57% to 43%
- In 1999, CDOT and RTD collaborated on two ballot measures approved by the voters for a highway/light rail expansion project (T-REX)
- By 2001, RTD Board and local communities began collaborating on the comprehensive, region-wide transit plan called FasTracks
- RTD Board approved FasTracks plan in 2004
- Formal review and approval of FasTracks plan by DRCOG (Regional MPO)

FasTracks Planning & Campaign

Implementation Schedule & Financial Plan

- Developed implementation schedule supported by the financing plan
- Financial Plan review and approval by MPO & financial consultant
- Provided clear timeline of individual capital investments

Support from all of the Region’s Mayors and Most of the Region’s Elected Officials

- Political Support
  - Support from all 31 District Mayors
  - Former Denver Mayor John Hickenlooper led regional collaboration
- Daily Newspapers
  - Strong support: Denver Post
  - Fervent opposition: Rocky Mountain News
- Opposition from Governor and State DOT

Current Planning Efforts

- Continued Planning, Environmental and Grant Support for FasTracks
- New Strategic Plan for Agency – focus on SGR, incremental opportunities for growth
- MPO development of new 2040 Plan
- CDOT Interoperability Study (FTA & FRA)
- Local Government Planning Coordination
  - Station Area Master Plans
  - BRT – Colfax, Northwest Area Mobility
  - Civic Center
- Transit Oriented Communities

FasTracks Snapshot

- 1 line and Union Station Transit Center opened, Free MetroRide service running, construction underway on 5 rail lines and BRT.
- Continue to implement more than $5 billion across the region
- Economic driver for the region
  - $3 billion spent and injected into the local economy since 2005
  - 600 construction jobs during West Rail Line construction
  - 2,500 direct and indirect jobs during Eagle P3 construction
- Pursue any possible funding alternatives to complete FasTracks sooner rather than later
- RTD is committed to completing the whole FasTracks program
- It took a region to create FasTracks and it will take a region to get it done!

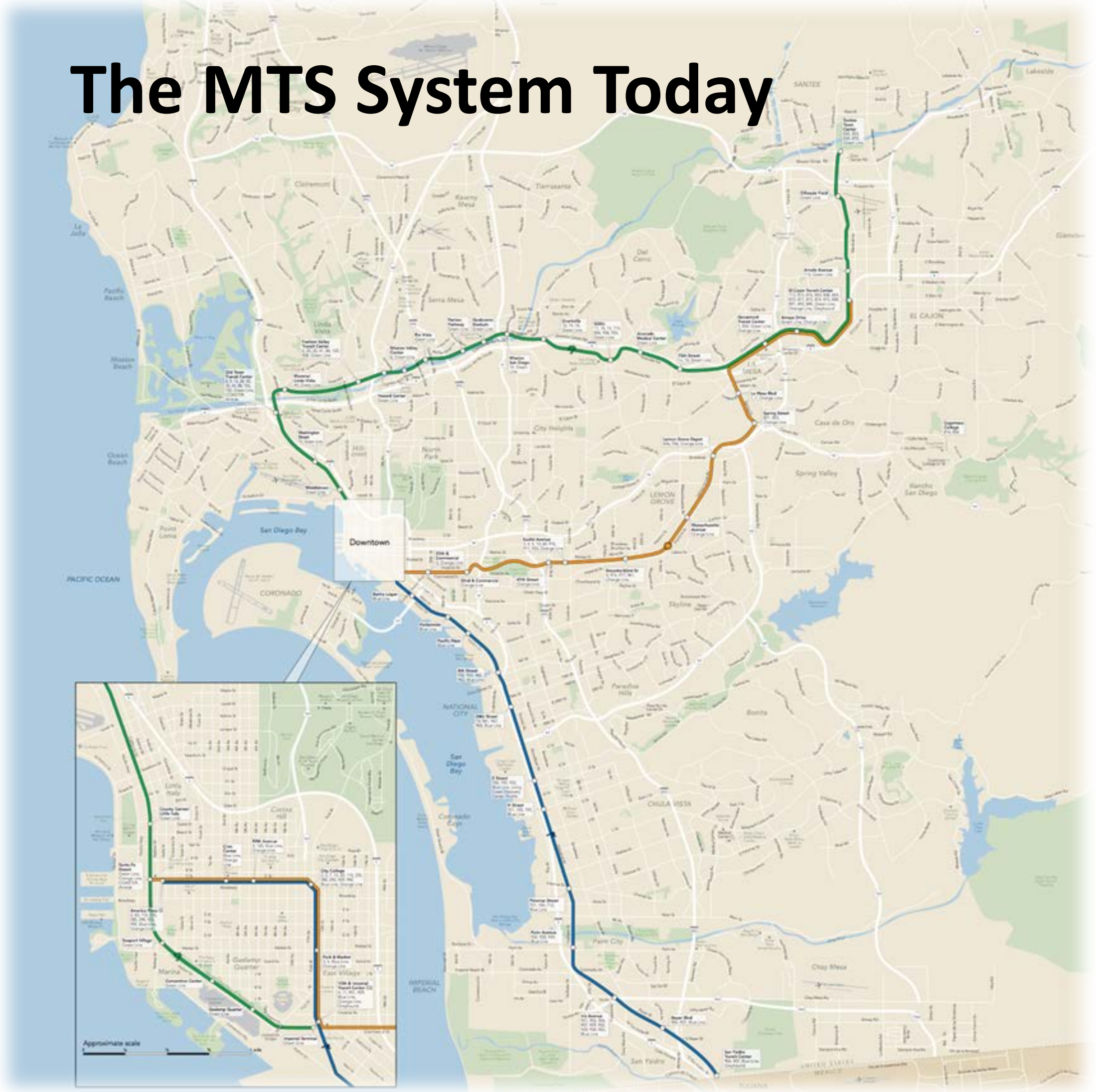
The San Diego Light Rail Experience

Paul Jablonski, CEO
San Diego Metropolitan Transit System

MTS Overview

- MTS provides transit for 10 cities, the rural County, and the international border – 3,240 total square miles
- Bus, light rail, freight, paratransit, taxicab, vintage trolley, ferry
  - 797 buses (95+% alternative fuel), 102 routes
  - 134 rail cars, 53 stations, 108 miles of track/ right of way
  - Extensive freight right of way
- 300,000 + passengers daily, 97 million annually
- Demand for service increasing

The MTS System Today

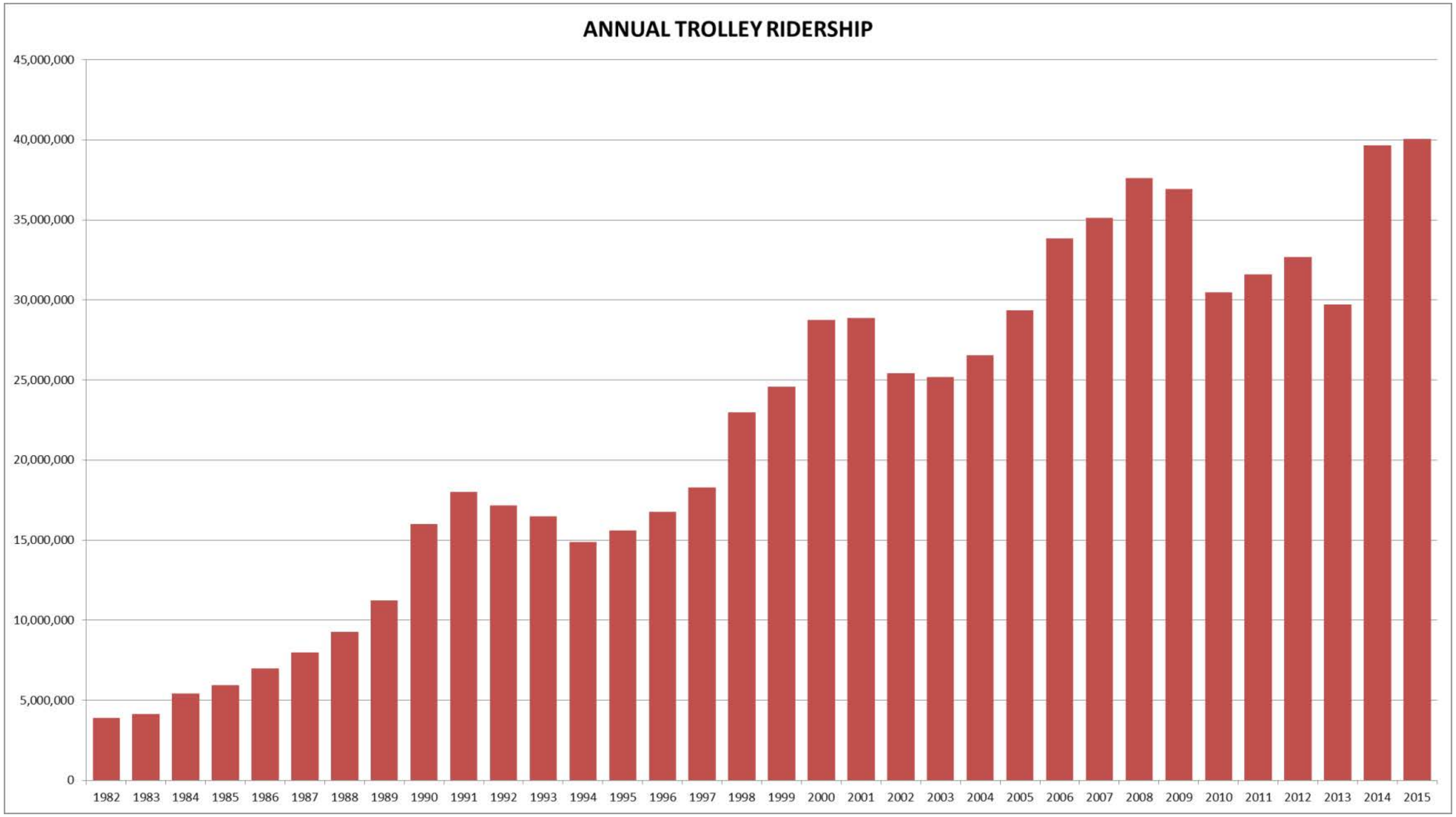


Expansion of Trolley System

Border to Downtown: 1981
Euclid Extension:1986
El Cajon Extension: 1989
Bayside Extension: 1990
County Center/Little Italy: 1992
Santee Extension: 1995
Old Town Extension: 1996
Mission Valley West: 1997
Mission Valley East: 2005

Success of each extension helped pave the way for the next.

Historical Ridership Growth



Who’s Riding and Why

- **Income**
  - 84% have family income of less than $50,000
- **Transit Dependency**
  - 70% have no car available
- **Trip Purpose**
  - Work: 41%
  - Leisure: 26%
  - School: 25%

Downtown

School/Universities

Downtown Visitors

Comic-Con

- 4-day Ridership in excess of 250,000 trips
- 34 Wraps
- Station Activations
- Commemorative Tickets
- Additional Revenue four days: ~$2 mil

Petco Park/Convention Center


To Stadium & Parking


QUALCOMM
STADIUM
Budweiser
The Great American Lager
PEPSI
BRONCOS
CHARGERS
1ST DOWN 10 TO 60
BALL ON 15
QTR 2
12:12
SYCUAN
Invest in you
UNION BANK
TOYOTA
MTS TROLLEY
TACKLES
TRAFFIC
WWW.SDMTS.COM
AT&T
Sprint
VIZIO

Special Events

EVENT	NO. OF EVENTS – FY 15	RIDERSHIP	FY 14
Padres Baseball	77	172,000	200,000
Chargers Football	11	284,000	300,000
Comic Con	5	240,000	215,000
SDSU Football	6	40,400	60,000
NCAA Bowl Games	2	40,000	26,000
Concerts – PETCO Park	2	18,000	0
Concerts – SDSU Venues	26	16,000	7,000
SDSU Basketball	18	14,000	14,000
Stadium Motor Sports	3	12,000	24,000
Parades	3	10,000	10,000
Marathons	3	9,000	10,000
Oktoberfest	3	6,000	8,000
Gaslamp Events	3	6,000	6,000
Religious Events	6	6,000	9,000
Cinco de Mayo – Old Town	2	4,000	4,000
Charity Fun Runs	3	3,000	2,000
Artwalk	2	2,000	2,000
Little Italy Festa	1	1,000	1,000
Total	176	946,000	894,000

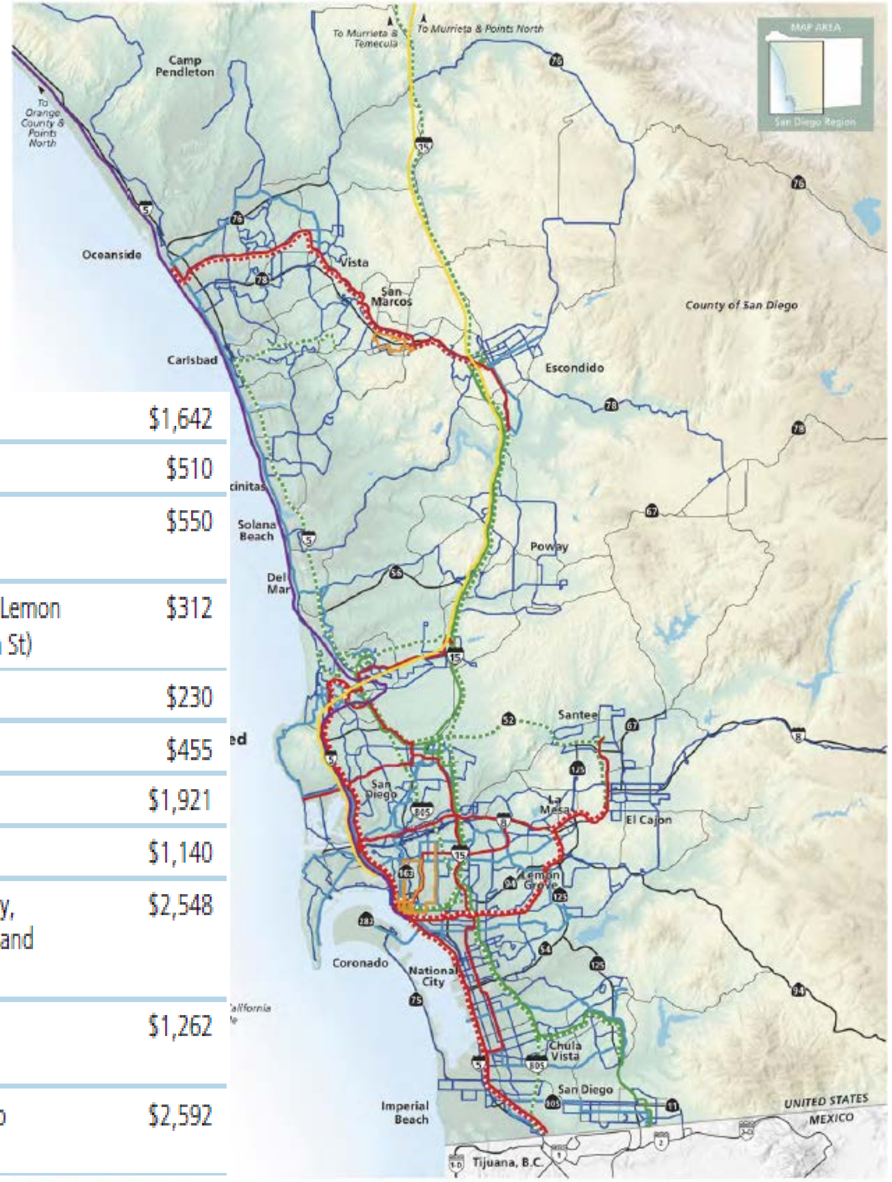
Light Rail in the Future

Mid-Coast Extension

- 11.5 miles
- 20,000+ new riders
- UC San Diego
  - 60,000 students, faculty and staff
- Major Employment
- Dense Residential
- One-seat ride from border
- Direct link to downtown and Trolley network
- Funding

MTS

The 2050 Vision



Trolley	510	Mid-Coast LRT Extension	$1,642
Trolley	510 and 520	Trolley System Rehabilitation (Blue and Orange Lines)	$510
Trolley	510	Blue Line Rail Grade Separations (Taylor St, Washington/ Sassafras St, 28th St, 32nd St, E St, H St, Palomar St)	$550
Trolley	520	Orange Line Rail Grade Separations (Euclid Ave, Broadway/ Lemon Grove Ave, Allison Ave/University Ave/La Mesa Blvd, Severin St)	$312
Trolley	522	Orange Line Express - El Cajon to downtown San Diego	$230
Trolley	540	Blue Line Express - UTC to San Ysidro via downtown	$455
Trolley	560	SDSU to downtown via Mid-City, El Cajon/Park Blvds	$1,921
Trolley	561	UTC to Mira Mesa via Sorrento Mesa/Carroll Canyon	$1,140
Trolley	562	UTC to San Ysidro via Kearny Mesa, Mission Valley, Mid-City, Southeastern San Diego, National City/Chula Vista via Highland Ave/4th Ave	$2,548
Trolley	563	Pacific Beach to El Cajon via Clairemont, Kearny Mesa, Mission Valley, SDSU	$1,262
Trolley	510, 520, 540, 522, and 560	Downtown Trolley Tunnel (12th & Imperial Transit Center to County Center/Little Italy Trolley Station)	$2,592

Why Rail?

- Capacity
- Vehicle Costs
- Operating costs
- Market factors

Capacity

- Rail can accommodate greater loads by coupling cars
  - Many more passengers can be moved in the same amount of time with fewer operators
    - 4 car train + 1 operator = 800 passengers
      1 articulated bus + 1 operator = 57 passengers
    - Passengers per in-service hour currently much higher on Trolley
      - 233 pax/hour on Trolley
      - 31.1 pax/hour on Bus
  - MTS's cost to operate per passenger 45% higher by bus
    - MTS Bus = $2.41
    - MTS Trolley = $1.66

Vehicle Costs

- Lower vehicle cost to achieve the same maximum passenger throughputs
  - 3-car trains at 7.5 minute headways = 42 second headway for articulated buses
  - 46 train cars versus 212 buses to achieve the same capacity
  - Vehicles costs for 30 years:
    Rail = $166 million
    Bus = $477 million
- Impacts of additional bus service on local streets, environment
  - 86 additional buses in downtown during the peak
  - consumption of land for maintenance facilities, layover locations, wider footprint of busways
  - Air and water quality impacts

Operating Costs

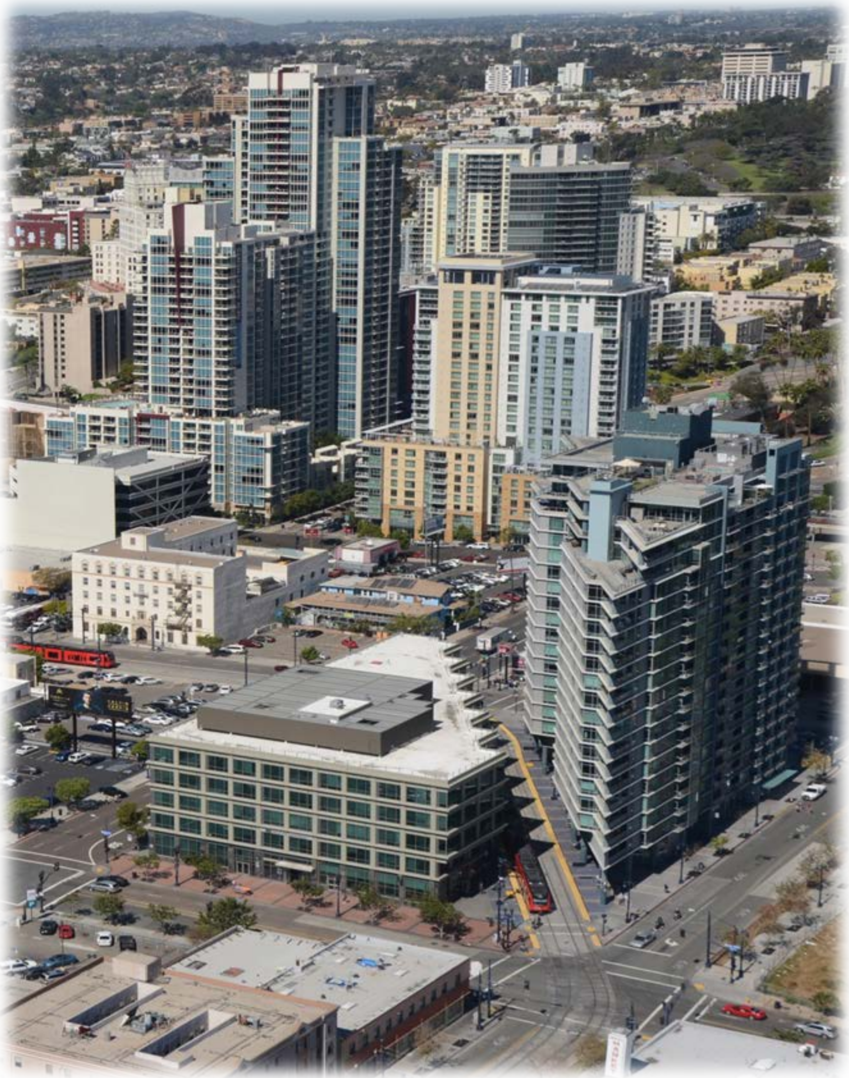
	Light Rail	Bus
Costs	$72 million	$155 million
Hours	170,000	1,790,000
Passengers	40 million	56 million
Pass/RH	236.3	31.4
FRR	$0.57	$0.36
Cost/Pass	$1.80	$2.76
Sub/Pass	$0.78	$1.77

Market Factors

- Mission Valley East experience
  - Route 81 (1300 daily passengers) vs. MVE (20,900 daily passengers)
  - 779 semester passes sold to SDSU students in fall 2004 vs. 5,000 in fall 2008
  - 2005 SANDAG study: 3700 new riders created by opening of MVE
- Premium Bus Experience
  - Interstate 15 Bus services lack high ridership despite amenities, competitive travel times
    - Less than 1200 trips per day
- MTS experience in line with national trends
  - Rail transit attracts between 35 and 43 percent more patronage compared to bus regardless of the quality of service

Economic Benefits

- Transit Oriented Development
- Economic stimulus
- Jobs created



Conclusions

Southern Nevada Tourism Infrastructure Committee

January 28, 2016

Transit: Even If You Don't Ride It, You Use It

Michael A. Allegra
Utah Transit Authority

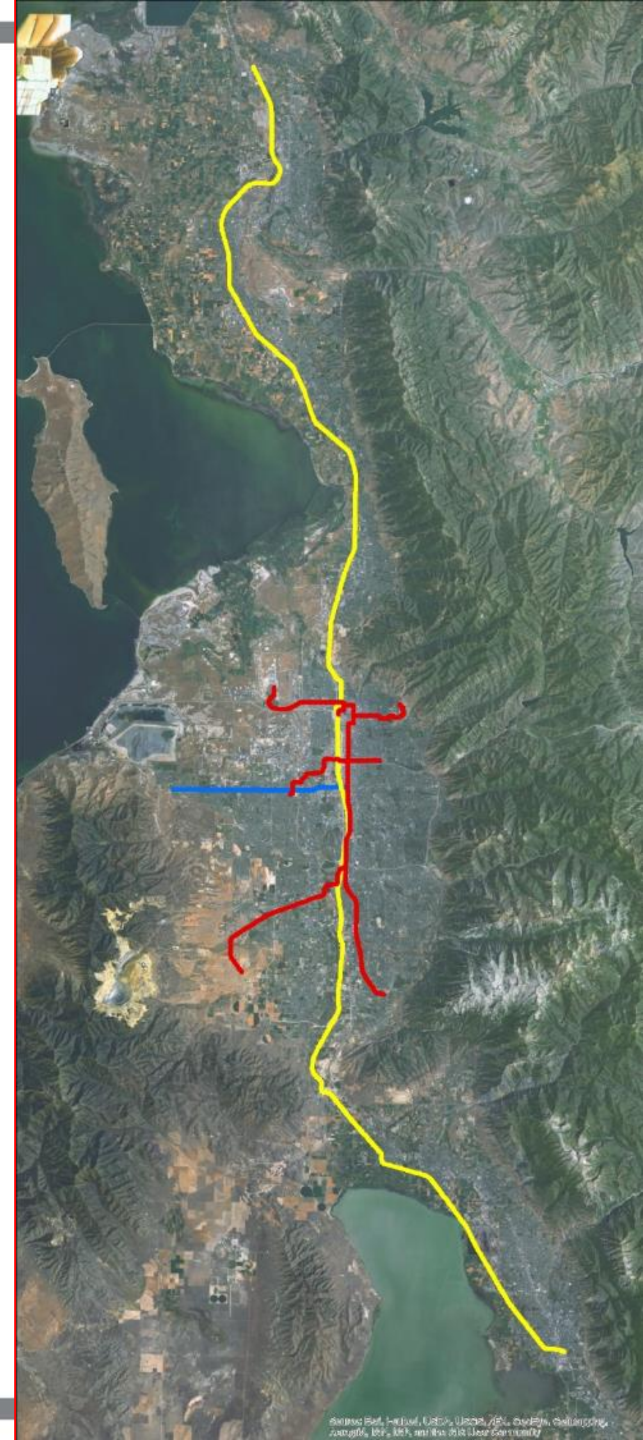
UTA

Utah Transit To-Date

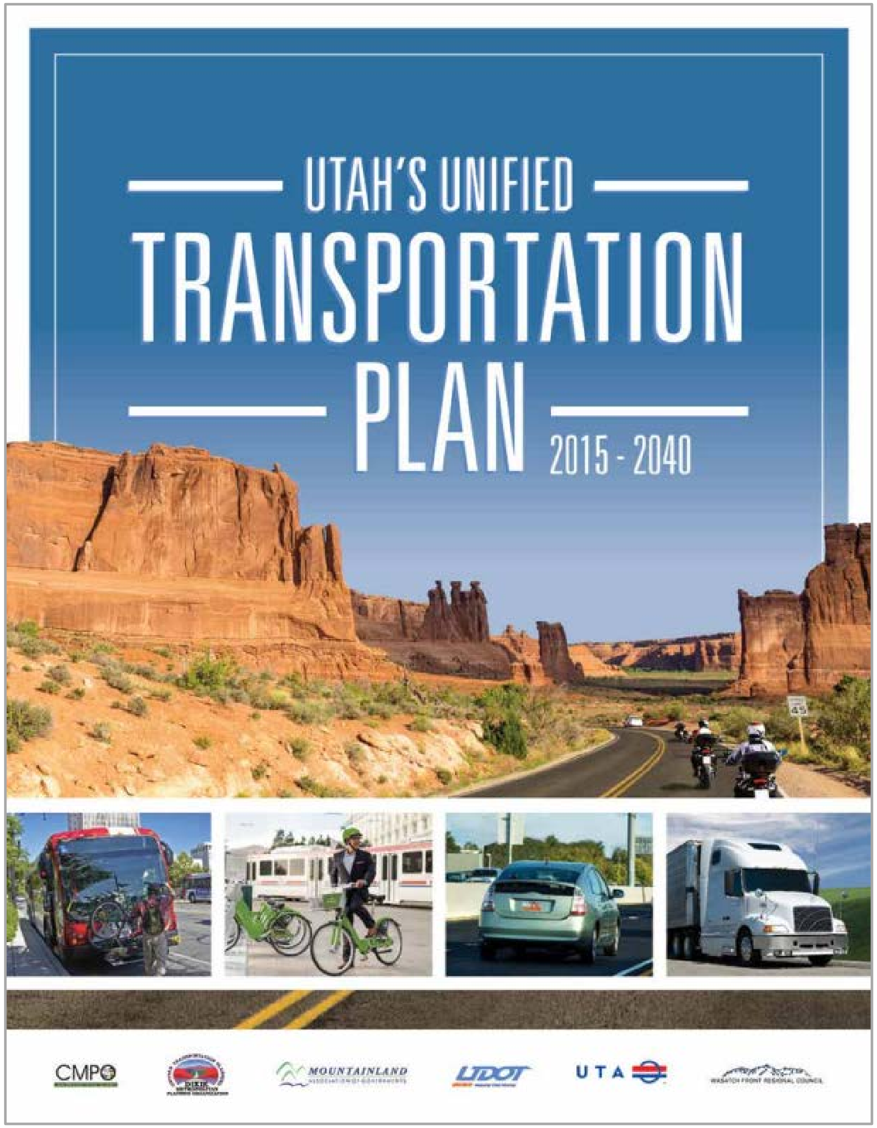
- Ridership: 45 million (highest in history)
  - Multi-modal
  - Mode choice
- Service miles: >40 million
  - 660 buses, 550 vans, 217 rail vehicles
- Coverage: 70% population within ½ mile of transit
- Efficiency:
  - Lowest cost per mile
  - Lowest overhead for capital and operations
- Reliability: >90%
- ISO and OHSAS certified
- Growth
  - 20 referendums

Utah Transit To-Date

- In last 14 years: 140 miles of rail
- Since 2007:
  - Six rail lines: FrontRunner South, Mid-Jordan TRAX, West Valley TRAX, Airport TRAX, Draper TRAX, Sugar House Streetcar
  - Finished two years ahead of schedule
  - Transforms the regional transportation network
- Best value contracts/construction mitigation

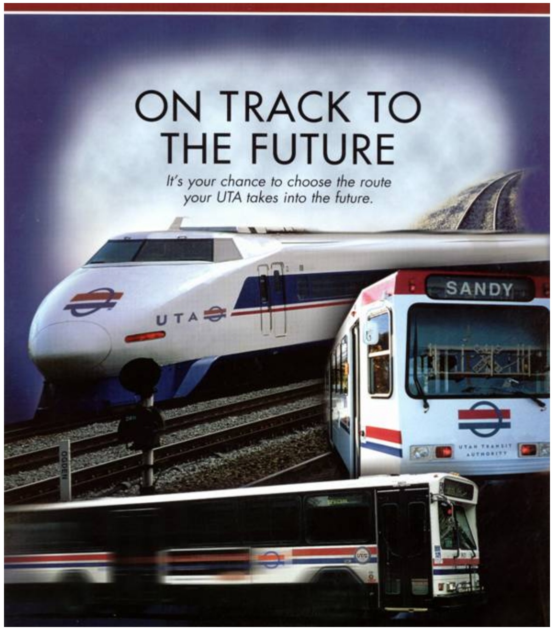


Collaborative Planning



Business Support

- In 2000, 2006, and 2015 top local business and community leaders engaged and lead campaign efforts



Even If You Don't Ride It, You Use It

Tough Decisions Made During Tough Times

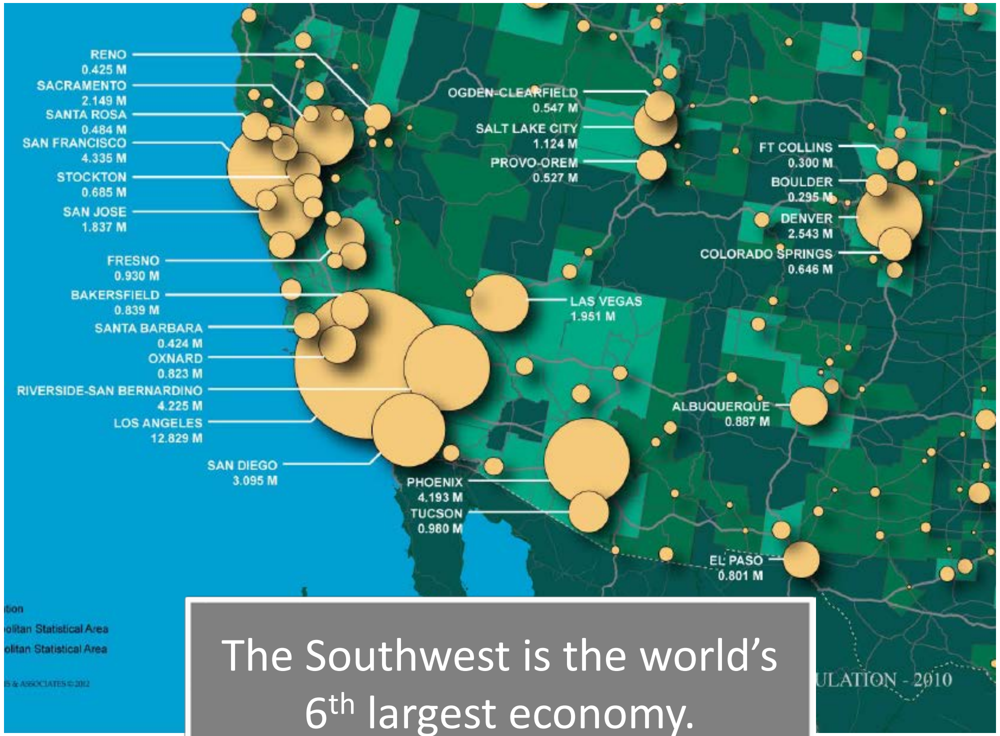
- Utah spent money on highways and transit during the recession
- Courage and commitment for business leaders and elected officials
- Results:
  - Utah ranked #1:
    - State for business (fifth time in six years), Forbes
    - 2014 economic outlook rankings, ALEC
    - Corporate top 10 pro-business state, Pollina
    - Most competitive state for business, Beacon Hill Institute
    - Technology concentration and dynamism, Milken Institute
    - Innovation and entrepreneurship, Enterprising States Report
  - Utah is the 'most fundamentally sound state,' Enterprising States: States Innovate (economic performance study)
  - Utah has three cities in the top five for career opportunities, Fortune
  - Governor Gary Herbert chairs bi-partisan National Governors Association

Investment in Transportation Pays Dividends

- Two pillars of economic development:
  - Transportation infrastructure/mobility
  - Education
- Private/public partnerships
- ROI:
  - $10B in real estate along UTA's corridors
  - 2:1 for transportation investment (EDR study)
  - TRIP Study
  - 20:1 on Sugar House Streetcar

Image courtesy of gerogefox.edu

Island Metros



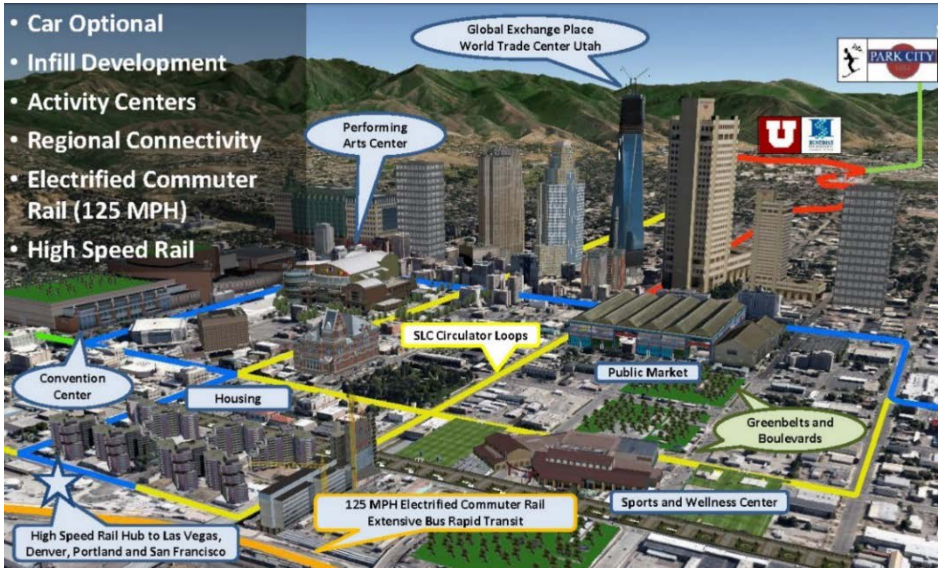
The Southwest is the world's 6th largest economy.

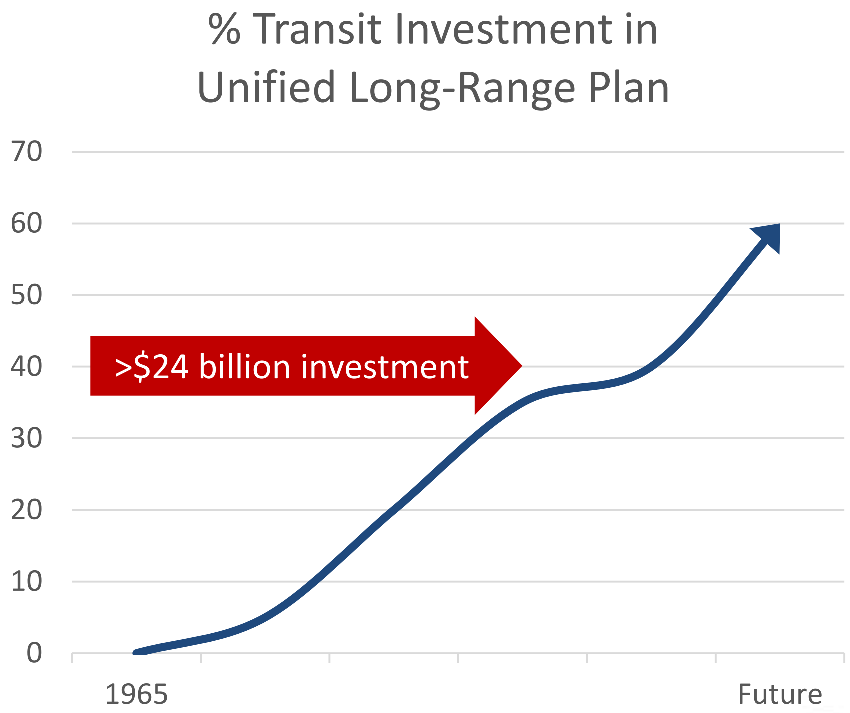
- Competing in the 21st century global economy
- A changing world
- The Southwest and the Intermountain West
- Strengthening connectivity and building metro economies

The Future

The best way to predict the future is to create it.

Abraham Lincoln





SNTIC Tax Source Analysis

Analysis of Clark County Revenue Alternatives

January 28, 2016

Hobbs Ong & Associates, Inc.

3900 Paradise Road | Suite 152 | Las Vegas, NV 89169 | (702) 733-7223

Retail Sales and Use Tax

- **Clark County Current Rate** **8.15%**
  - Increment (applied to taxable sales) 0.25%
    - Revenue Generated (annual) $93.7 million

Gaming Related Taxes and Fees

- **Percentage Fees Rate Increase On All Tiers**
  - Clark County Current Rate — 6.75%
  - Increment — 0.25%
    - Revenue Generated (annual) — $22.6 million
- **Slot Machine Excise Tax (annual)**
  - Clark County Current Rate — $250/slot/year
  - Increment — $25/slot
    - Revenue Generated (annual) — $3.2 million
- **Slot License Fee (Non-Restricted) (Paid Quarterly)**
  - Clark County Current Rate — $20/slot/quarter
  - Increment — $5/slot/quarter
    - Revenue Generated (annual) — $2.3 million

Gaming Related Taxes and Fees (continued)

- **State Table Games License (Paid Quarterly/Effective Annual Rate Shown)**
  - Clark County Current Rate — $1,189.76
  - Increment — $60/game
    - Revenue Generated (annual) — $1.05 million
- **Slot License Fee (Restricted) (Paid Quarterly/Effective Annual Rate Shown)**
  - Clark County Current Effective Rate — $441.82/slot
  - Increment — $50/slot
    - Revenue Generated (annual) — $697,000
- **State Games License (Paid annually/Effective Annual Rate Shown)**
  - Clark County Effective Current Rate — $456.88
  - Increment — $30/slot
  - Revenue Generated (annual) — $131,000

Property Tax Increase

- **Clark County (current cap) (Per $100 Assessed Valuation) $3.64**
  - Increment $0.01
    - Revenue Generated (annual) (inclusive of tax caps) $261,000
    - Revenue Generated (annual) (assuming elimination of caps) $6.5 million

Fuel Tax

- **Increase the Motor Vehicle Fuel Tax**
  - Excluding diesel and special fuels (per gallon)
  - Clark County Current Rate $0.618944/gallon
  - Increment $0.01/gallon
    - Revenue Generated (annual) $7.8 million

General Business Taxes

- Modified Business Tax – Non-Financial Institutions (Quarterly)
- Modified Business Tax – Financial Institutions (Quarterly)
- Nevada Commerce Tax – (Based on gross revenue exceeding $4 million, by industry) (Annual)
- Business License Fee (Annual)

Transient Lodging Tax (Room Tax)

- **Current Clark County Rate** **12% - 13%**
  - Increment $1.00 per night rented
    - Revenue Generated (annual) $50.1 million
  - Increment 0.50%
    - Revenue Generated (annual) $25.0 million

Other Statewide Tax Sources

- **Insurance Premium Tax**
- **Live Entertainment Tax**
- **Mining Taxes**

Taxicab Fees

- **Statewide Current Rate** — **Varies**
  - Increment — $0.50 per fare
    - Revenue Generated (annual) — $13.9 million

Excise Taxes

- **Cigarette Excise Taxes**
- **Other Tobacco Products Excise Taxes**
- **Liquor Tax**
  - Beer Production
  - Liquor --1/2% - 14.0% alcohol by volume (gallons)
  - Liquor --14.1% - 22% alcohol by volume (gallons)
  - Liquor -- Over 22% alcohol by volume (22.1% - 80%) (gallons)

Real Property Transfer Tax

- **Clark County current rate** **$1.30**
  - Increment $0.03
    - Revenue Generated (annual) $1.1 million

Car Rental Tax

- **Car Rental Tax current rate** **10%**
  - Increment 0.50%
    - Revenue Generated (statewide - annual) $2.9 million
    - Revenue Generated (Clark County) $2.1 million

Tire Tax

- **Tire Tax current rate (per new tire purchased at retail)** **$1.00**
  - Increment $1.00
    - Revenue Generated (annual statewide) $1.8 million
    - Revenue Generated (Clark County @ 75%) $1.4 million

Other Funding Approaches

- Assessment Districts
- Increment Districts

Las Vegas Metropolitan Police Department
Funding Formula

The Las Vegas Metropolitan Police Department ("METRO") is the consolidated police department organized pursuant to NRS 280 to provide police services for the City of Las Vegas and Clark County, Nevada. Briefly, NRS 280 specifies that a funding formula based upon population, calls for service, and felony crimes of the previous calendar year will be used to determine the share of the budget that the City and County will contribute to the Department. The METRO budget process undergoes three reviews of police funding by the Fiscal Affairs Committee (made up of two members each from the Clark County Commission and Las Vegas City Council, and an at-large member), The City of Las Vegas Council and the Clark County Board of Commissioners.

The funding apportionment plan was adopted by the legislature initially in 1983 and, although it has been amended since, the basic fundamentals of the funding plan are still the same as they were when the plan was originally promulgated. In essence, the plan (which is described in more detail below) uses actual event data to apportion costs and funding responsibility between the County and the City. Prior to the adoption of this plan, relative budget shares were negotiated each year as a part of the budget process.

Briefly, the funding apportionment plan excludes the cost of:

a) Operating and maintaining a county jail or branch jail (solely a County responsibility)
b) Rural program of resident officers (solely a County responsibility)
c) Programs for contract services that are paid by the contracting entity (solely the responsibility of the contracting agency or entity).

The Funding apportionment plan must apportion the anticipated costs of operating and maintaining the department, and capital costs, after deducting all anticipated revenue internally generated by the department, using the formula described herein.

In developing the formula, the department must divide its budget into the following functional areas:

a) Activities which are the responsibility of either the County or the City;
b) Contract Services which are performed solely for another entity;
c) Administrative or support activities.
d) The remaining activities, services or programs are to be allocated to those functional areas which are to be jointly funded by the participating subdivisions.

Costs of activities of administration or support must be allocated to the other functional areas to which they apply based upon the ratio of the cost of each functional area to total cost of the combined functions. Thus, the administrative and support functions are allocated among the sub-units of its budget as departmental overhead.

The cost of each functional area, including administrative and support costs, must be apportioned among the participating subdivisions as follows:

a) Cost of uniformed functions in the field apportioned on a percentage basis of permanent population, the total number of calls for service dispatched by the department (excluding calls for service with respect to felony crimes, calls for service in the rural resident officer service areas, and calls for service originating from a program of contract services), and the total number of felonies which were reported in each participating political subdivision (excluding calls for felonies from a rural resident officer service area or an area under contract services). The number of calls is based upon the 12 months preceding January 1 of the current fiscal year.

b) The cost of the investigative function must be apportioned on a percentage basis of the total number of felonies reported by the participating political subdivisions in the 12 months preceding January 1 of the current fiscal year.
c) Other functional areas (i.e., school crossing guards) are apportioned based upon the point of service.

After the application of the formulae described above, the resulting split of funding the net amount of the budget (after deduction of self-generated revenue and the portion of the uniformed officer funding directly supported by other taxes tax), the County and City currently fund roughly 62 and 38 percent of the budget, respectively. This funding comes from the general fund of the participating entities.

The actual language appearing in NRS 280.201 is also to this summary. Also attached is a copy of the Las Vegas Metropolitan Police Department's "Budget in Brief" for the current fiscal year.

NRS 280.201 Plan for apportionment of expenses: Exclusions; formula for apportionment; tax ad valorem; statistics and records.

1. The funding apportionment plan must exclude the cost of:

(a) Operating and maintaining a county or a branch county jail;

(b) A rural program of resident officers, where applicable; and

(c) Any program of contract services which is totally funded by the contracting agency or entity.

➥ The costs described in paragraphs (a) and (b) are a proper charge against the county. The capital costs of building a county or a branch county jail are the responsibility of the board of county commissioners.

2. If a department operates a program for school crossing guards, each participating political subdivision must pay the cost of operating the positions located within its jurisdiction.

3. The funding apportionment plan must apportion the anticipated costs of operating and maintaining the department, and capital costs, after deducting all anticipated revenue internally generated by the department, among the participating political subdivisions according to the formula developed by the department pursuant to this section.

4. Except as otherwise provided in subsection 1, an additional tax ad valorem that is levied pursuant to the approval of the voters must be levied at a uniform rate in the unincorporated area of the county and in each participating city.

5. In developing the formula, the department must divide its budget into the following functional areas:

(a) Activities which are the responsibility of any one of the participating political subdivisions.

(b) Contract services which are performed solely for another agency or entity.

(c) Administrative or supporting activities.

(d) The remaining activities, services or programs are to be allocated to those functional areas which are to be jointly funded by the participating political subdivision.

➥ Contract services which are performed solely for another agency or entity must each be identified as a separate functional area.

6. The department must identify the bureaus, sections, divisions and groups that are assigned to each functional area. Each functional area must be a separate accounting unit within the budget of the department for the purpose of apportioning the cost among the participating political subdivisions.

7. The costs of the activities of administration or support must be allocated to the other functional area to which they apply in the ratio that the cost of each functional area bears to the combined costs of the other functional areas.

8. The costs of each functional area which is to be jointly funded, including the administrative and support costs allocated in accordance with subsection 6, must be apportioned among the participating political subdivisions as follows:

(a) The cost of uniformed functions in the field must be apportioned on a percentage basis according to the comparative cumulative, unweighted percentage relationship among the participating political subdivisions of the permanent population of the participating political subdivisions, as determined annually by the Governor, the total number of calls for service which were dispatched by the department in each participating political subdivision, excluding:

(1) Calls for service with respect to felony crimes;

(2) Calls for service originating in those areas which were served by a rural program of resident officers; and

(3) Calls for service originating from a program of contract services which is totally funded by the contracting agency or entity,

➥ and the total number of felonies which were reported in each participating political subdivision, excluding reports of felonies originating from a rural program of resident officers or a program of contract services. The number of calls for service and the number of felonies reported must have been made during the 12 months preceding January 1 of the current fiscal year.

(b) The cost of the investigative function must be apportioned on a percentage basis according to the comparative cumulative, unweighted percentage relationship among the participating political subdivisions of the total number of felonies which were reported in each participating political subdivision during the 12 months preceding January 1 of the current fiscal year.

9. For the purpose of subsection 8, the population attributable to a county does not include the population of the cities within that county or the population of those areas within that county which are served by a rural program of resident officers.

10. The department shall maintain all of the statistics necessary to effectuate the funding apportionment plan and shall maintain accurate records in support of the determination required in order to comply with this section.

11. If, in the initial year of the merger, the statistics necessary to determine the funding apportionment plan for the remainder of that year are incomplete, the department shall prepare a funding apportionment plan for the remainder of that year based upon the most accurate statistics available, and apply it as closely as possible in the manner prescribed in this section. The fact that a budget, a funding apportionment plan and a rural program of resident officers are not prepared and submitted when due does not invalidate any of them.

(Added to NRS by 1977, 363; A 1979, 1002; 1981, 638; 1987, 1493; 1997, 2876)

LAS VEGAS METROPOLITAN POLICE DEPARTMENT

FISCAL YEAR 2015-2016 BUDGET-IN-BRIEF

Joseph Lombardo, Sheriff

VISION, VALUES, MISSION, AND GOALS

OF THE

LAS VEGAS METROPOLITAN POLICE DEPARTMENT

☆ The **Vision** of the Las Vegas Metropolitan Police Department is for the Las Vegas community to be the safest community in America.

☆ The **Values** of the Las Vegas Metropolitan Police Department are:

Integrity
Courage
Accountability
Respect for People
Excellence

☆ The **Mission** of the Las Vegas Metropolitan Police Department is to partner with the community to provide outstanding service and protection through prevention, innovation and leadership.

☆ The **Goals** of the Las Vegas Metropolitan Police Department are:

Strengthen and Improve Homeland Security
Ensure the Safety of Our Community
Retain and Develop Leaders throughout the Department
Value and Sustain Excellent Service
Excel in Communications, Innovation and Operations

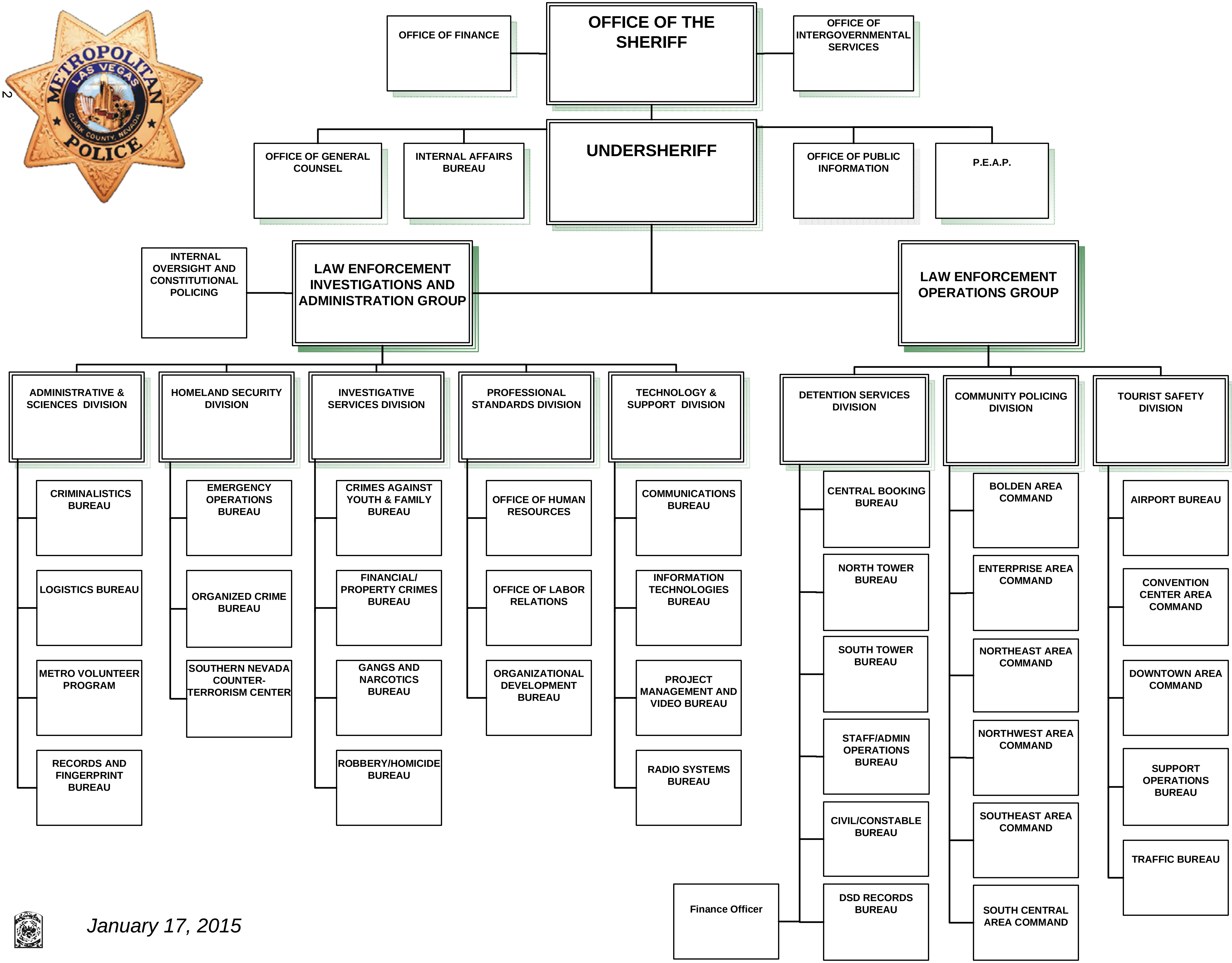
LAS VEGAS METROPOLITAN POLICE DEPARTMENT
FISCAL AFFAIRS COMMITTEE

CITY OF LAS VEGAS COUNCIL → FISCAL AFFAIRS COMMITTEE ← CLARK COUNTY COMMISSION

FISCAL AFFAIRS COMMITTEE
Chairman Renee West

Councilman Ricki Barlow
Councilman Stavros Anthony

Commissioner Larry Brown
Commissioner Steve Sisolak



January 17, 2015

2015-2016 Budget Highlights

- The total budget is $539,447,297, an increase of $48,428,181, or 9.86% from the FY14/15 budget. Approximately $20 million of the $48.4 million increase is due to the transfer of 152 commissioned officer positions back to the operating fund that had previously been supplanted to the More Cops fund, thereby greatly improving the long term viability of the More Cops fund.

- The remaining increase includes contractual salary and benefit increases, as well as salary and benefit costs for an additional 30 commissioned positions and 46 civilian positions. The budget also reflects $6 million towards the purchase of a replacement search and rescue helicopter; $1,177,781 to replace the cooling system at MetroComm; $400,000 to raise the floor in the older section of MetroComm to accommodate the replacement 911 system; and $3,333,162 in contributions to an Other Post Employment Benefit (OPEB) trust fund to provide long term stability to retiree health insurance costs.

- A contract totaling $21,614,039 with the Department of Aviation for police services at the Airport will offset expenditures in that budget unit.

- Per NRS 280, the total amount to be distributed between the City of Las Vegas and Clark County is $361,889,051. The funding formula requires that 37.6% or $136,039,975 be contributed by the City of Las Vegas (7.2% increase from FY 14-15), and that 62.4% or $225,804,076 be contributed by Clark County (4.3% increase from FY 14-15) towards the total budget revenue for the Las Vegas Metropolitan Police Department.

- It is anticipated that $119,243,207 will be available from the two voter-approved property tax ballot questions. This preliminary property tax revenue projection is a 5% increase over the current year. Sales tax initiative revenue and the corresponding expenditures for staffing and equipment are accounted for in a separate fund.

- The fiscal year 2015-2016 operating fund budget includes 3,249 authorized positions, including 2,036 commissioned and 1,213 civilian positions.

Budget Overview

The Las Vegas Metropolitan Police Department budget is a plan for revenues and expenditures for the fiscal year July 1 through June 30. Programs, personnel and purchases are presented for funding through the budget process based upon the goals, objectives, and measurement of performance of each department unit. The budget is developed as a program budget and presented as a line item budget for ease of review.

NRS 280 is enabling legislation that establishes the Las Vegas Metropolitan Police Department as a consolidated police department, jointly funded by the City of Las Vegas and Clark County. NRS 280 specifies that a funding formula based upon population, calls for service, and felony crimes of the previous calendar year will be used to determine the share of the budget that the City and County will contribute to the Department. The Las Vegas Metropolitan Police Department budget process undergoes three thorough reviews of police funding by the Fiscal Affairs Committee; City of Las Vegas Council; and Clark County Commission.

Annual Budget Calendar

The budget preparation for the Las Vegas Metropolitan Police Department begins in September of each year, ten months prior to the implementation of the budget. The term of the fiscal year is July 1, through June 30.

January	Funding Apportionment Plan presented to Fiscal Affairs Committee *(NRS 280 – Open Meeting)*
February	Tentative Budget submitted to Fiscal Affairs Committee for review by the City of Las Vegas Council and the Clark County Commission *(NRS 280 – Open Meeting)*
April	Final Budget approved by Fiscal Affairs Committee, then submitted to City and County *(NRS 280 – Open Meeting)*
May	City and County budget hearings conducted by City Council and County Commission *(NRS 354 – Open Meeting)*
Prior to June 1	City and County approve budgets for submission to the State of Nevada Department of Taxation *(NRS 354 – Open Meeting)*
Monthly	Fiscal Affairs Committee budget oversight agenda items each month *(NRS 280 – Open Meeting)*

From April through May each year, the Las Vegas Metropolitan Police Department budget is reviewed in City and County budget hearings and meetings, and submitted to the Nevada State Department of Taxation as part of the Clark County Annual Budget.

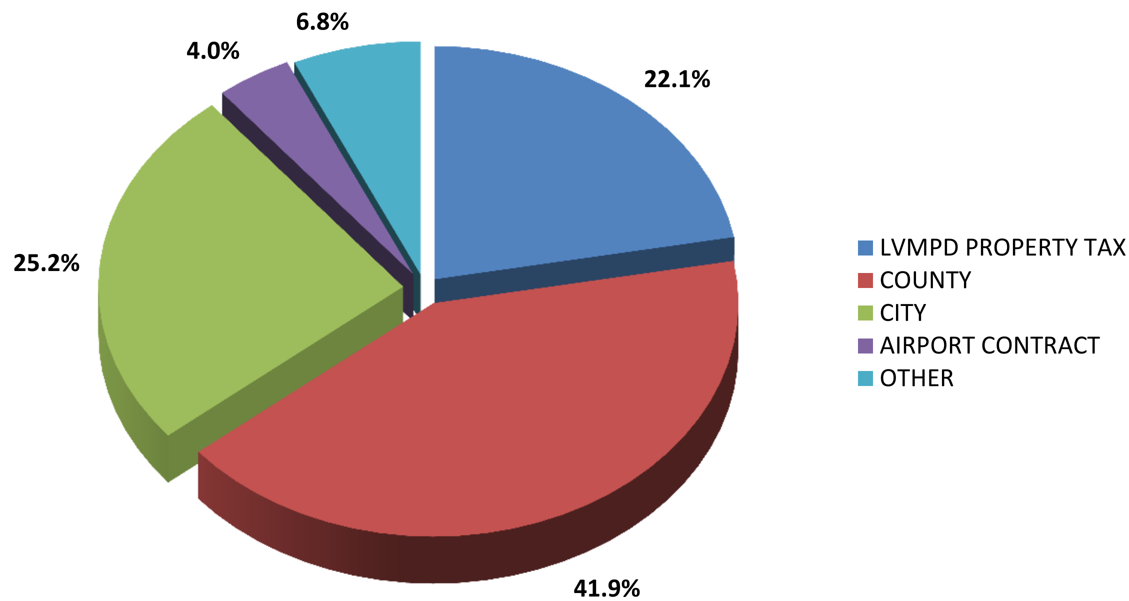
LVMPD FY 2015-2016 BUDGET REVENUES

THREE YEAR REVENUE COMPARISON	ACTUAL FY 2013-2014	PROJECTED FY 2014-2015	BUDGETED FY 2014-2015**	REQUESTED FY 2015-2016	VARIANCE FY15 TO FY16 BUDGET	VARIANCE PERCENT
REAL PROPERTY TAX	$ 99,361,969	$ 103,188,038	$ 107,587,587	$ 106,563,009	$ (1,024,578)	-0.95%
PERSONAL PROPERTY TAX	11,823,328	11,716,382	5,923,794	12,680,198	6,756,404	114.06%
FINGERPRINT FEES	1,091,821	1,143,439	1,050,000	1,150,000	100,000	9.52%
REIMBURSED OVERTIME	9,146,773	10,409,510	9,300,000	9,700,000	400,000	4.30%
REPRODUCTION FEES	794,689	741,286	800,000	800,000	0	0.00%
EXTRADITIONS	250,630	143,504	180,000	200,000	20,000	11.11%
INVESTIGATIVE FEES-COUNTY/CCW	937,253	1,051,859	950,000	975,000	25,000	2.63%
INVESTIGATIVE FEES-CITY	77,700	91,452	100,000	86,000	(14,000)	-14.00%
LAB/CONTRACT	446,336	568,044	475,000	520,000	45,000	9.47%
INTEREST	469,322	500,000	500,000	475,000	(25,000)	-5.00%
SALES	340,338	331,227	300,000	325,000	25,000	8.33%
COURT PAY	290,313	292,175	330,000	310,000	(20,000)	-6.06%
RESTITUTIONS	57,803	56,030	48,000	60,000	12,000	25.00%
MISCELLANEOUS	954,413	1,022,046	1,000,000	1,000,000	0	0.00%
SALE OF FIXED ASSETS	890,493	569,229	950,000	750,000	(200,000)	-21.05%
TOTAL SELF-GENERATED REVENUES	126,933,181	131,824,221	129,494,381	135,594,207	6,099,826	4.71%
AIRPORT CONTRACT	19,510,955	20,755,910	20,805,910	21,614,039	808,129	3.88%
CITY OF LAS VEGAS CONTRIBUTION	119,800,568	126,938,755	126,938,755	136,039,975	9,101,220	7.17%
CLARK COUNTY CONTRIBUTION	198,490,209	216,504,308	216,504,308	225,804,076	9,299,768	4.30%
LAUGHLIN FINGERPRINT FEES	46,700	40,720	50,000	45,000	(5,000)	-10.00%
GRANTS & PRIVATE CONTRIBUTIONS	9,015,414	12,596,778	0	0	0	0.00%
TRANSFER FROM OTHER FUNDS	100,000	0	0	0	0	0.00%
INCREASE TO FUND BALANCE	0	0	2,774,238	0	(2,774,238)	-100.00%
FUND BALANCE CONTRIBUTION	0	0	0	20,350,000	20,350,000	100.00%
TOTAL REVENUE	**$ 473,897,027**	**$ 508,660,692**	**$ 491,019,116**	**$ 539,447,297**	**$ 48,428,181**	**9.86%**
ENDING FUND BALANCE	**$ 12,505,745**	**$ 26,356,297**	**$ 14,172,410**	**$ 6,006,297**		

**Appropriations according to original approved budget that do not include transfers or augmentations for grants and donations.

LVMPD FY 2015-2016 BUDGET REVENUES

REVENUE SOURCES



REVENUE NOTES

City and County contributions are derived from the funding formula, per NRS 280.

The 1988 LVMPD Property Tax is derived from an annual property tax (ad valorem) rate of 8 cents per $100 assessed valuation by the City of Las Vegas and the unincorporated Clark County. The 1996 LVMPD Property Tax is derived from an annual property tax (ad valorem) rate which cannot exceed 20 cents per $100 assessed valuation in the LVMPD jurisdiction. The combined total proceeds from the special property taxes support 650 police officers.

The 2005 Nevada State Legislature passed Assembly Bill 489 which placed limitations on the amount of future property tax increases. The FY 2015-2016 Budget reflects estimated property tax revenue based on data supplied by the Clark County Assessor and the State of Nevada Department of Taxation, Assessment Standards Division, as of March 2015, and includes estimated abatements and exemptions.

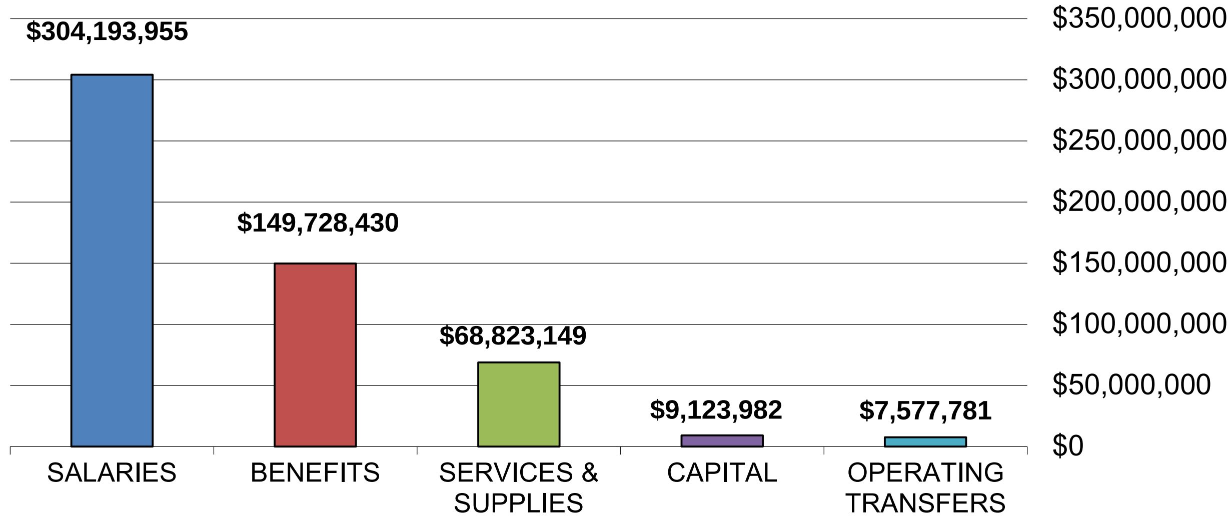
Other revenues include fingerprint fees, overtime reimbursed for special events, extradition costs reimbursed by the State of Nevada, fees, proceeds from sales, earned interest, charges for services, and miscellaneous revenue.

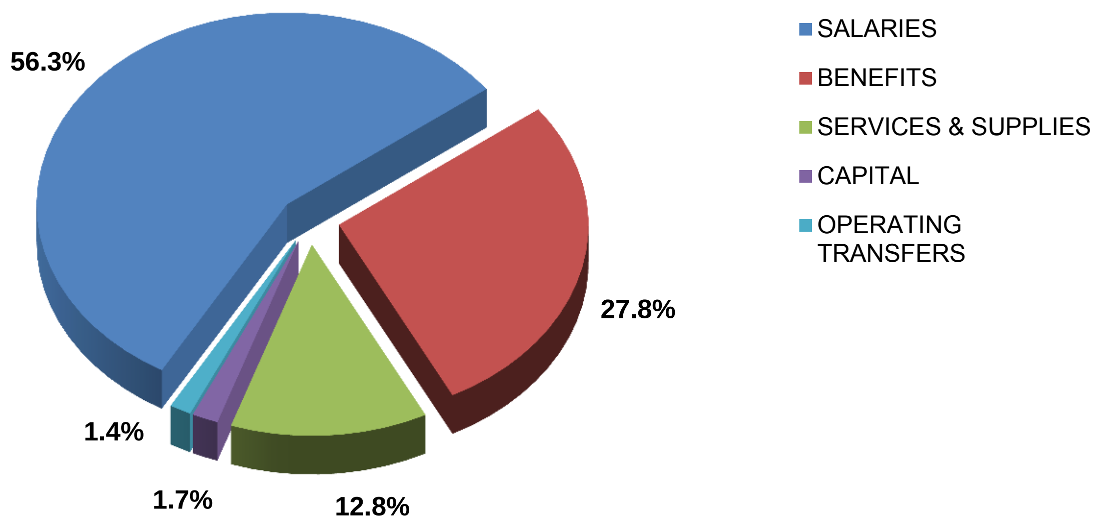
LVMPD FY 2015-2016 BUDGET EXPENDITURE SUMMARY

#	UNIT	SALARIES	BENEFITS	SUPPLIES & SERVICES	CAPITAL	OPERATING TRANSFERS	TOTAL
5000111000	OFFICE OF THE SHERIFF	$ 1,700,537	$ 838,292	$ 226,119	$ -	$ -	$ 2,764,948
5000112000	GENERAL COUNSEL	1,619,385	696,209	604,207	0	0	2,919,801
5000113000	QUALITY ASSURANCE	759,406	375,302	49,532	0	0	1,184,240
5000114000	FINANCE	3,299,064	1,455,955	5,720,640	0	0	10,475,659
5000115000	POLICE EMPLOYEE ASSISTANCE PROGRAM	581,565	275,722	139,930	0	0	997,217
5000117000	PUBLIC INFORMATION	1,111,692	541,999	91,701	0	0	1,745,392
5000118000	INTERGOVERNMENTAL SERVICES	406,458	210,662	44,402	0	0	661,522
5000131000	CRIMINAL INTELLIGENCE	5,308,639	2,647,639	1,528,795	149,470	0	9,634,543
5000132000	SPECIAL INVESTIGATIONS	2,215,688	1,113,172	120,779	44,000	0	3,493,639
5000133000	TECHNICAL/SURVEILLANCE	2,284,888	1,168,769	722,691	101,820	0	4,278,168
5000134000	SWAT	5,833,812	2,967,319	1,170,606	197,175	0	10,168,912
5000135000	ARMOR	1,327,731	690,646	388,022	57,000	0	2,463,399
5000136000	RESIDENT/LAUGHLIN	4,460,716	2,216,510	466,472	196,306	0	7,340,004
5000142000	TRAFFIC	14,731,876	7,796,683	3,873,433	1,053,990	0	27,455,982
5000143000	AIR SUPPORT/SEARCH & RESCUE	3,270,799	1,683,907	2,212,541	55,885	6,000,000	13,223,132
5000144000	K9	2,705,026	1,186,901	602,942	320,590	0	4,815,459
5000145000	AIRPORT	12,951,963	6,607,736	341,124	27,000	0	19,927,823
5000146000	SO. NEVADA COUNTER TERRORISM CENTER	6,261,570	3,028,158	519,192	22,000	0	9,830,920
5000147000	EVENT PLANNING	9,182,768	778,684	55,226	0	0	10,016,678
5000148000	MOUNTED PATROL UNIT	417,149	209,963	118,983	0	0	746,095
5000152000	VICE	3,447,608	1,821,164	224,286	110,000	0	5,603,058
5000156000	HOMICIDE & SEX CRIMES	12,944,074	6,502,860	6,530,507	378,000	0	26,355,441
5000157000	MAJOR VIOLATOR/NARCOTICS CRIMES	9,419,916	4,694,808	974,564	526,490	0	15,615,778
5000158000	THEFT CRIMES	9,692,903	4,909,309	699,654	281,590	0	15,583,456
5000159000	INTERNAL OVERSIGHT & CONSTITUTIONAL POLICING	2,697,205	1,381,990	170,811	110,000	0	4,360,006
5000161000	HUMAN RESOURCES	6,827,043	3,365,397	792,610	88,000	0	11,073,050
5000162000	ORGANIZATIONAL DEVELOPMENT/TRAINING	7,660,340	3,972,443	2,501,938	291,357	0	14,426,078
5000164000	SUPPLY	0	0	405,850	0	0	405,850
5000165000	INTERNAL AFFAIRS	3,537,121	1,762,475	242,929	22,000	0	5,564,525
5000166000	LOGISTICS	2,393,419	1,069,975	804,303	25,000	0	4,292,697
5000167000	FLEET OPERATIONS	1,189,139	399,865	617,403	44,000	0	2,250,407
5000168000	RADIO SYSTEMS	1,684,118	760,099	1,931,405	0	0	4,375,622
5000169000	PROJECT MANAGEMENT AND VIDEO	1,239,972	638,456	680,451	141,500	0	2,700,379
5000171000	RECORDS	11,847,209	5,614,889	5,311,033	33,000	0	22,806,131
5000172000	INFORMATION TECHNOLOGIES	4,765,279	2,071,689	8,111,801	762,103	0	15,710,872
5000173000	COMMUNICATIONS	15,932,945	7,077,543	2,641,998	0	1,577,781	27,230,267
5000175000	CRIME SCENE INVESTIGATIONS - CRIMINALISTICS	5,513,823	2,329,534	1,655,514	0	0	9,498,871
5000176000	FORENSIC LABORATORY	5,319,415	2,244,798	1,440,558	0	0	9,004,771
5000177000	EVIDENCE VAULT	2,784,122	1,311,471	1,058,660	38,000	0	5,192,253
5000180000	CONVENTION CENTER AREA COMMAND	8,616,485	4,752,456	886,913	183,204	0	14,439,058
5000180010	CONVENTION CENTER INVESTIGATIVE	2,660,999	1,362,357	182,924	70,590	0	4,276,870
5000181000	NORTHEAST AREA COMMAND	8,336,239	4,543,902	906,363	356,510	0	14,143,014
5000181010	NORTHEAST INVESTIGATIVE	3,257,685	1,685,839	215,978	44,000	0	5,203,502
5000181020	NORTHEAST RESIDENT-MOAPA	1,252,103	654,435	166,177	73,886	0	2,146,601
5000183000	DOWNTOWN AREA COMMAND	8,960,940	4,897,877	911,808	232,408	0	15,003,033
5000183010	DOWNTOWN INVESTIGATIVE	2,906,571	1,508,914	189,177	79,000	0	4,683,662
5000184000	BOLDEN AREA COMMAND	11,641,477	6,391,593	1,048,787	308,306	0	19,390,163
5000184010	BOLDEN INVESTIGATIVE	2,926,771	1,527,725	201,448	88,000	0	4,743,944
5000185000	SUPPORT OPERATIONS BUREAU	5,925,538	2,402,836	2,550,837	479,765	0	11,358,976
5000185010	SUPPORT OPERATIONS INVESTIGATIVE	0	0	20,340	180,590	0	200,930
5000186000	ENTERPRISE AREA COMMAND	12,071,139	6,613,984	1,218,808	488,663	0	20,392,594
5000186010	ENTERPRISE INVESTIGATIVE	3,476,305	1,824,858	233,723	145,000	0	5,679,886
5000186020	ENTERPRISE RESIDENT-STATELINE	980,323	521,323	169,442	73,886	0	1,744,974
5000187000	SOUTH CENTRAL AREA COMMAND	9,498,904	5,205,769	1,008,230	290,510	0	16,003,413
5000187010	SOUTH CENTRAL INVESTIGATIVE	2,887,000	1,513,782	197,383	66,000	0	4,664,165
5000188000	SOUTHEAST AREA COMMAND	11,284,083	6,150,812	1,174,522	261,459	0	18,870,876
5000188010	SOUTHEAST INVESTIGATIVE	2,781,926	1,460,311	198,071	44,000	0	4,484,308
5000189000	NORTHWEST AREA COMMAND	11,162,352	6,094,166	1,170,400	334,510	0	18,761,428
5000189010	NORTHWEST INVESTIGATIVE	3,455,108	1,789,510	245,590	136,590	0	5,626,798
5000189020	NORTHWEST RESIDENT-MT CHARLESTON	785,624	406,988	132,616	110,829	0	1,436,057
	TOTAL	**$ 304,193,955**	**$ 149,728,430**	**$ 68,823,149**	**$ 9,123,982**	**$ 7,577,781**	**$ 539,447,297**

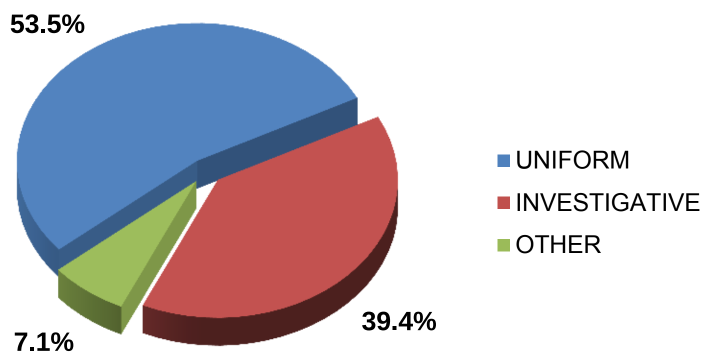
LVMPD FY 2015-2016 BUDGET EXPENDITURES

EXPENDITURES BY CATEGORY





EXPENDITURES BY FUNCTION



LVMPD FY 2015-2016 BUDGET EXPENDITURES

	THREE YEAR COMPARISON	ACTUAL FY 2013-2014	PROJECTED FY 2014-2015	BUDGETED FY 2014-2015**	REQUESTED FY 2015-2016	VARIANCE FY15 TO FY16 BUDGET	VARIANCE PERCENT
611000	PERMANENT SALARIES	$ 227,874,596	$222,458,436	$ 226,899,120	$ 244,510,423	$ 17,611,303	7.76%
611200	SHIFT DIFFERENTIAL	4,419,598	4,086,876	4,357,638	4,538,313	180,675	4.15%
611230	ACTING HIGHER CAPACITY	56,835	63,085	46,000	50,506	4,506	9.80%
611240	BONUS PAY	1,057,048	1,022,393	982,695	1,055,781	73,086	7.44%
611250	ASSIGNMENT PAY	7,269,167	7,526,730	7,999,631	8,496,136	496,505	6.21%
611260	COURT PAY	942,479	838,308	953,667	952,715	(952)	-0.10%
611270	VEHICLE ALLOWANCE	55,804	57,125	58,800	64,800	6,000	10.20%
611280	UNIFORM/CLOTHING ALLOWANCE	1,824,395	1,898,670	1,743,412	2,181,812	438,400	25.15%
611320	LEAVE SELLBACK	2,293,560	2,240,009	2,209,297	2,401,515	192,218	8.70%
611330	LONGEVITY	11,689,556	11,910,450	13,608,012	14,362,212	754,200	5.54%
611340	SEPARATION	7,575,328	10,232,168	7,611,552	8,552,017	940,465	12.36%
612000	PART-TIME SALARIES	1,358,924	1,418,720	1,699,643	1,819,065	119,422	7.03%
613100	OVERTIME	14,223,013	16,030,062	11,430,369	12,693,760	1,263,391	11.05%
613120	CALL BACK PAY	3,240,471	2,814,090	2,297,374	2,514,900	217,526	9.47%
	TOTAL SALARIES	**283,880,774**	**282,597,122**	**281,897,210**	**304,193,955**	**22,296,745**	**7.91%**
621000	GROUP INSURANCE	28,181,132	28,794,187	29,786,221	32,638,164	2,851,943	9.57%
622000	SOCIAL SECURITY	65,947	63,584	105,377	112,781	7,404	7.03%
622100	MEDICARE	3,864,126	3,853,630	4,087,508	4,410,610	323,102	7.90%
623000	RETIREMENT	91,310,001	88,242,868	91,904,478	101,020,857	9,116,379	9.92%
623200	OTHER POST EMPLOYMENT BENEFITS	0	0	0	3,333,162	3,333,162	100.00%
624000	UNEMPLOYMENT INSURANCE	266,629	259,112	281,894	0	(281,894)	-100.00%
625000	INDUSTRIAL INSURANCE	12,567,647	8,175,020	8,175,020	8,212,856	37,836	0.46%
	TOTAL BENEFITS	**136,255,482**	**129,388,401**	**134,340,498**	**149,728,430**	**15,387,932**	**11.45%**
630000	PROFESSIONAL SERVICES	5,803,130	5,887,326	4,026,008	3,966,547	(59,461)	-1.48%
634000	PSYCHOLOGICAL SERVICES	294,009	302,116	249,850	210,586	(39,264)	-15.72%
635000	ATTORNEY FEES	279,670	392,736	420,000	350,000	(70,000)	-16.67%
640310	MAINTENANCE - FACILITIES	1,909,082	2,280,253	2,330,029	2,539,139	209,110	8.97%
640320	MAINTENANCE - EQUIPMENT	2,978,263	3,027,412	3,319,607	4,366,915	1,047,308	31.55%
640340	MAINTENANCE - VEHICLE	2,452,227	2,313,562	2,560,001	2,560,003	2	0.00%
640341	VEHICLE WARRANTIES	76,720	76,720	123,300	167,140	43,840	35.56%
640500	BIO HAZARDOUS CLEANUP SERVICES	55,209	49,142	73,400	70,044	(3,356)	-4.57%
641000	RENTAL-EQUIP/OTHER	564,084	548,126	500,070	636,251	136,181	27.23%
641100	RENTAL-LAND/STORAGE/OFFICE	16,621,287	16,627,150	16,971,388	16,879,480	(91,908)	-0.54%
644130	TOWING SERVICES	5,021	58,691	8,700	12,730	4,030	46.32%
644150	LAUNDRY	38,065	39,119	41,153	40,000	(1,153)	-2.80%
644200	MEDICAL SERVICES/SUPPLIES	180,953	174,503	221,940	254,311	32,371	14.59%
644210	PHYSICALS-EMPLOYMENT	49,617	78,900	78,900	62,544	(16,356)	-20.73%
644220	PHYSICALS-ANNUAL	765,471	785,491	815,955	815,550	(405)	-0.05%
644230	VET SERVICES	67,507	53,094	65,500	66,300	800	1.22%
644610	DATA PROCESSING	2,783,378	2,763,858	2,763,858	2,624,627	(139,231)	-5.04%
645000	LIABILITY INSURANCE	6,849,445	4,904,983	4,942,136	6,321,059	1,378,923	27.90%
646000	OTHER COMMUNICATION SERVICES	120,188	97,470	103,930	103,194	(736)	-0.71%
646100	TELEPHONE SERVICES-LOCAL/LD	2,549,436	2,763,046	2,750,767	2,688,556	(62,211)	-2.26%
646120	CELL PHONE SERVICES	926,115	1,006,806	984,742	992,124	7,382	0.75%
646510	SUBPOENA INVESTIGATIONS	247,294	298,412	258,265	266,250	7,985	3.09%
647000	ADVERTISING	15,568	16,212	17,000	41,500	24,500	144.12%
648100	PRINTING/REPRODUCTION	169,987	239,641	272,355	225,760	(46,595)	-17.11%
649000	TRAVEL/TRAINING	990,127	1,036,302	521,935	638,000	116,065	22.24%
662100	AMMUNITION	819,347	916,400	916,400	929,226	12,826	1.40%
662200	POLICE EQUIPMENT	575,555	684,638	690,277	770,262	79,985	11.59%
662300	INVESTIGATIVE SUPPLIES	454,815	3,711,473	187,100	320,632	133,532	71.37%
663000	OPERATING SUPPLIES	3,712,121	2,718,141	1,644,075	1,635,028	(9,047)	-0.55%
663200	GROCERIES	83,799	69,024	82,885	90,972	8,087	9.76%
663400	OFFICE SUPPLIES	510,952	554,850	595,950	592,200	(3,750)	-0.63%
663430	BOOKS	6,366	9,039	6,450	7,700	1,250	19.38%
663500	WEARING APPAREL	342,837	464,406	442,870	471,498	28,628	6.46%
663600	MINOR EQUIPMENT	1,690,904	2,910,588	1,919,686	2,589,013	669,327	34.87%
663610	COMPUTER REPLACEMENTS	1,932,838	1,811,424	1,685,023	1,265,196	(419,827)	-24.92%
663810	FUEL	5,118,039	4,519,181	5,846,037	5,218,189	(627,848)	-10.74%
670000	UTILITIES	2,416,319	2,608,736	2,432,760	2,645,831	213,071	8.76%
670510	SHREDDING/RECYCLING	5,633	5,329	6,500	6,820	320	4.92%
673430	PRINCIPAL	21,820	52,368	50,943	0	(50,943)	-100.00%
679200	FEES/LICENSES	999,784	378,110	992,054	69,648	(922,406)	-92.98%
679220	SOFTWARE	3,397,777	5,083,176	3,644,557	4,096,797	452,240	12.41%
679300	DUES	13,933	18,953	18,570	44,910	26,340	141.84%
679310	SUBSCRIPTIONS	445,900	726,963	376,854	1,008,267	631,413	167.55%
679600	POSTAGE	146,853	139,669	166,450	162,350	(4,100)	-2.46%
	TOTAL SERVICES & SUPPLIES	**69,487,445**	**73,203,539**	**66,126,230**	**68,823,149**	**2,696,919**	**4.08%**
680400	**CAPITAL OUTLAY**	**11,807,362**	**9,621,078**	**8,655,178**	**9,123,982**	**468,804**	**5.42%**
690200	**TRANSFERS TO OTHER FUNDS**	**0**	**0**	**0**	**7,577,781**	**7,577,781**	**100.00%**
	TOTAL	**501,431,063**	**494,810,140**	**491,019,116**	**539,447,297**	**48,428,181**	**9.86%**

**Appropriations according to original approved budget that do not include transfers or augmentations for grants and donations.

LVMPD AUTHORIZED POSITIONS THREE YEAR COMPARISON

#	UNIT	COMM	CIV	2013-14	COMM	CIV	2014-15	COMM	CIV	2015-16
5000111000	OFFICE OF THE SHERIFF	6	6	**12**	5	6	**11**	9	6	**15**
5000112000	GENERAL COUNSEL	1	16	**17**	1	16	**17**	1	16	**17**
5000113000	QUALITY ASSURANCE	5	4	**9**	5	4	**9**	4	4	**8**
5000114000	FINANCE	0	42	**42**	0	41	**41**	0	42	**42**
5000115000	POLICE EMPLOYEE ASSISTANCE PROGRAM	4	1	**5**	4	1	**5**	3	2	**5**
5000117000	PUBLIC INFORMATION	6	6	**12**	6	6	**12**	5	7	**12**
5000118000	INTERGOVERNMENTAL SERVICES	3	1	**4**	3	1	**4**	3	1	**4**
5000131000	CRIMINAL INTELLIGENCE	26	8	**34**	26	8	**34**	39	9	**48**
5000132000	SPECIAL INVESTIGATIONS	16	10	**26**	15	10	**25**	14	10	**24**
5000133000	TECHNICAL/SURVEILLANCE	18	2	**20**	18	2	**20**	18	2	**20**
5000134000	SWAT	44	2	**46**	39	2	**41**	44	3	**47**
5000135000	ARMOR	11	1	**12**	11	1	**12**	11	1	**12**
5000136000	RESIDENT/LAUGHLIN	32	9	**41**	32	9	**41**	32	9	**41**
5000139000	GANG CRIMES	64	11	**75**	61	11	**72**	0	0	**0**
5000141000	EMERGENCY OPERATIONS	6	5	**11**	6	5	**11**	0	0	**0**
5000142000	TRAFFIC	141	12	**153**	134	12	**146**	132	12	**144**
5000143000	AIR SUPPORT/SEARCH & RESCUE	25	5	**30**	26	5	**31**	26	5	**31**
5000144000	K9	20	1	**21**	20	1	**21**	20	1	**21**
5000145000	AIRPORT	113	9	**122**	113	9	**122**	113	9	**122**
5000146000	SO. NEVADA COUNTER TERRORISM CENTER	26	32	**58**	29	31	**60**	31	35	**66**
5000147000	EVENT PLANNING	6	2	**8**	6	2	**8**	6	3	**9**
5000148000	MOUNTED PATROL UNIT	5	0	**5**	4	0	**4**	4	0	**4**
5000149000	SUPPORT OPERATIONS BUREAU	38	2	**40**	8	2	**10**	0	0	**0**
5000151000	ROBBERY/HOMICIDE	117	25	**142**	113	25	**138**	0	0	**0**
5000152000	VICE	34	1	**35**	32	1	**33**	31	2	**33**
5000153000	NARCOTICS	70	13	**83**	69	13	**82**	0	0	**0**
5000154000	FINANCIAL CRIMES	68	29	**97**	64	30	**94**	0	0	**0**
5000155000	CRIMES AGAINST YOUTH/FAMILY	87	32	**119**	85	32	**117**	0	0	**0**
5000156000	HOMICIDE & SEX CRIMES	0	0	**0**	0	0	**0**	91	32	**123**
5000157000	MAJOR VIOLATOR/NARCOTICS CRIMES	0	0	**0**	0	0	**0**	69	18	**87**
5000158000	THEFT CRIMES	0	0	**0**	0	0	**0**	72	24	**96**
5000159000	INTERNAL OVERSIGHT & CONSTITUTIONAL POLICING	10	5	**15**	10	5	**15**	20	6	**26**
5000161000	HUMAN RESOURCES	9	28	**37**	9	29	**38**	32	46	**78**
5000162000	ORGANIZATIONAL DEVELOPMENT/TRAINING	51	17	**68**	61	21	**82**	60	17	**77**
5000165000	INTERNAL AFFAIRS	38	20	**58**	31	20	**51**	22	13	**35**
5000166000	LOGISTICS	0	33	**33**	0	33	**33**	0	33	**33**
5000167000	FLEET OPERATIONS	0	12	**12**	0	12	**12**	0	12	**12**
5000168000	RADIO SYSTEMS	2	21	**23**	2	21	**23**	1	22	**23**
5000169000	PROJECT MANAGEMENT AND VIDEO	0	0	**0**	0	0	**0**	5	12	**17**
5000171000	RECORDS	0	208	**208**	1	209	**210**	0	205	**205**
5000172000	INFORMATION TECHNOLOGIES	0	56	**56**	0	56	**56**	0	58	**58**
5000173000	COMMUNICATIONS	0	210	**210**	0	211	**211**	1	222	**223**
5000175000	CRIME SCENE INVESTIGATIONS - CRIMINALISTICS	0	68	**68**	0	66	**66**	0	66	**66**
5000176000	FORENSIC LABORATORY	0	61	**61**	0	61	**61**	0	63	**63**
5000177000	EVIDENCE VAULT	2	38	**40**	1	38	**39**	2	40	**42**
5000180000	CONVENTION CENTER AREA COMMAND	96	9	**105**	75	13	**88**	93	12	**105**
5000180010	CONVENTION CENTER INVESTIGATIVE	19	1	**20**	19	1	**20**	21	4	**25**
5000181000	NORTHEAST AREA COMMAND	81	9	**90**	65	11	**76**	85	12	**97**
5000181010	NORTHEAST INVESTIGATIVE	6	2	**8**	6	2	**8**	27	4	**31**
5000181020	NORTHEAST RESIDENT-MOAPA	10	1	**11**	10	1	**11**	10	1	**11**
5000183000	DOWNTOWN AREA COMMAND	81	6	**87**	74	6	**80**	94	10	**104**
5000183010	DOWNTOWN INVESTIGATIVE	5	1	**6**	4	1	**5**	23	5	**28**
5000184000	BOLDEN AREA COMMAND	110	10	**120**	94	8	**102**	121	13	**134**
5000184010	BOLDEN INVESTIGATIVE	5	1	**6**	5	1	**6**	25	4	**29**
5000185000	SUPPORT OPERATIONS BUREAU	9	4	**13**	29	5	**34**	38	7	**45**
5000185010	SUPPORT OPERATIONS INVESTIGATIVE	0	0	**0**	5	0	**5**	0	0	**0**
5000186000	ENTERPRISE AREA COMMAND	118	14	**132**	102	14	**116**	125	14	**139**
5000186010	ENTERPRISE INVESTIGATIVE	9	1	**10**	8	1	**9**	30	4	**34**
5000186020	ENTERPRISE RESIDENT-STATELINE	9	0	**9**	9	0	**9**	9	0	**9**
5000187000	SOUTH CENTRAL AREA COMMAND	90	12	**102**	77	7	**84**	98	13	**111**
5000187010	SOUTH CENTRAL INVESTIGATIVE	5	2	**7**	4	2	**6**	25	4	**29**
5000188000	SOUTHEAST AREA COMMAND	117	13	**130**	102	9	**111**	115	14	**129**
5000188010	SOUTHEAST INVESTIGATIVE	6	1	**7**	6	1	**7**	25	4	**29**
5000189000	NORTHWEST AREA COMMAND	112	15	**127**	97	15	**112**	115	15	**130**
5000189010	NORTHWEST INVESTIGATIVE	7	1	**8**	6	1	**7**	29	5	**34**
5000189020	NORTHWEST RESIDENT-MT CHARLESTON	7	0	**7**	7	0	**7**	7	0	**7**
	TOTALS	**2,006**	**1,167**	**3,173**	**1,854**	**1,167**	**3,021**	**2,036**	**1,213**	**3,249**

LVMPD FY 2015-2016 AUTHORIZED COMMISSIONED POLICE POSITIONS

#	UNIT	POSITIONS FUNDED THROUGH OPERATING BUDGET	POSITIONS FUNDED THROUGH MORE COPS INITIATIVE	TOTAL COMMISSIONED POLICE POSITIONS
5000111000	OFFICE OF THE SHERIFF	9		9
5000112000	GENERAL COUNSEL	1		1
5000113000	QUALITY ASSURANCE	4		4
5000115000	POLICE EMPLOYEE ASSISTANCE PROGRAM	3		3
5000117000	PUBLIC INFORMATION	5		5
5000118000	INTERGOVERNMENTAL SERVICES	3		3
5000131000	CRIMINAL INTELLIGENCE	39		39
5000132000	SPECIAL INVESTIGATIONS	14		14
5000133000	TECHNICAL/SURVEILLANCE	18		18
5000134000	SWAT	44		44
5000135000	ARMOR	11		11
5000136000	RESIDENT/LAUGHLIN	32		32
5000142000	TRAFFIC	132	6	138
5000143000	AIR SUPPORT/SEARCH & RESCUE	26		26
5000144000	K9	20		20
5000145000	AIRPORT	113		113
5000146000	SO. NEVADA COUNTER TERRORISM CENTER	31		31
5000147000	EVENT PLANNING	6		6
5000148000	MOUNTED PATROL UNIT	4		4
5000152000	VICE	31		31
5000156000	HOMICIDE & SEX CRIMES	91		91
5000157000	MAJOR VIOLATOR/NARCOTICS CRIMES	69		69
5000158000	THEFT CRIMES	72		72
5000159000	INTERNAL OVERSIGHT & CONSTITUTIONAL POLICING	20		20
5000161000	HUMAN RESOURCES	32		32
5000162000	ORGANIZATIONAL DEVELOPMENT/TRAINING	60		60
5000165000	INTERNAL AFFAIRS	22		22
5000168000	RADIO SYSTEMS	1		1
5000169000	PROJECT MANAGEMENT AND VIDEO	5		5
5000173000	COMMUNICATIONS	1		1
5000177000	EVIDENCE VAULT	2		2
5000180000	CONVENTION CENTER AREA COMMAND	93	82	175
5000180010	CONVENTION CENTER INVESTIGATIVE	21		21
5000181000	NORTHEAST AREA COMMAND	85	100	185
5000181010	NORTHEAST INVESTIGATIVE	27		27
5000181020	NORTHEAST RESIDENT-MOAPA	10		10
5000183000	DOWNTOWN AREA COMMAND	94	80	174
5000183010	DOWNTOWN INVESTIGATIVE	23		23
5000184000	BOLDEN AREA COMMAND	121	66	187
5000184010	BOLDEN INVESTIGATIVE	25		25
5000185000	SUPPORT OPERATIONS BUREAU	38	7	45
5000186000	ENTERPRISE AREA COMMAND	125	77	202
5000186010	ENTERPRISE INVESTIGATIVE	30		30
5000186020	ENTERPRISE RESIDENT-STATELINE	9		9
5000187000	SOUTH CENTRAL AREA COMMAND	98	78	176
5000187010	SOUTH CENTRAL INVESTIGATIVE	25		25
5000188000	SOUTHEAST AREA COMMAND	115	56	171
5000188010	SOUTHEAST INVESTIGATIVE	25		25
5000189000	NORTHWEST AREA COMMAND	115	73	188
5000189010	NORTHWEST INVESTIGATIVE	29		29
5000189020	NORTHWEST RESIDENT-MT CHARLESTON	7		7
	TOTALS	**2,036**	**625**	**2,661**

This schedule is informational only to illustrate the total number of commissioned police officers. The funding for the More Cops Initiative officers is not included in this document.

LAS VEGAS CONVENTION CENTER DISTRICT

FINANCIAL PLANNING DOCUMENT

OF THE LAS VEGAS CONVENTION & VISITORS AUTHORITY
JANUARY 2016

This document has been prepared for the Southern Nevada Tourism Infrastructure Committee. The information in this report serves as a companion report to the Las Vegas Convention Center District Strategic Master Plan developed by Cordell Corporation. The strategic plan sets forth a phased approach for expansion and renovation of the Las Vegas Convention Center to meet current customer demands and to attract new tradeshows to the destination.

LAS VEGAS CONVENTION CENTER DISTRICT

FINANCIAL PLANNING DOCUMENT

EXECUTIVE SUMMARY

The Las Vegas Convention Center District (LVCCD) is a large, complex, multi-year project designed to secure the future of the Las Vegas Convention Center (LVCC), and Las Vegas' position as the No. 1 trade show destination in North America. The project will require the investment of significant financial resources, and the financial plan must ensure the necessary financial resources are identified, available, and managed throughout the life of the project.

This document is intended to provide a reasonable estimate of the funds required to support the LVCCD, without cannibalizing the budgets for current operating activities that support the Las Vegas Convention and Visitors Authority's (LVCVA) core mission of marketing Las Vegas. Like any long-term plan, the financing approach laid out in this document depends upon a number of forecasts and assumptions about future conditions. It is not intended to provide a year-by-year construction cash flow analysis, but instead to provide a financial analysis from which overarching conceptual funding needs can be drawn.

The financial analysis demonstrates the LVCVA's capacity to complete LVCCD Phase One under its current revenue structure. Phases Two and Three will require new revenue streams to support the financing program. The projected initial annual funding shortfall is $80MM.

As time passes, this plan will be modified and updated to reflect changing circumstances and financial realities. Year-by-year implementation of the plan will be carried out within the LVCVA's budgeting process and other appropriate approaches.

LVCVA

President/CEO
Rossi Ralenkotter

Chief Financial Officer
Rana Lacer

SVP of Operations
Terry Jicinsky

SVP of Marketing
Cathy Tull

PROJECT OWNERS REPRESENTATIVE:
Cordell Corporation
Terry Miller, Principal
Don Webb, Principal

PROJECT CONSULTANT:
RHWalker Consulting

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LVCVA BACKGROUND

The Las Vegas Convention and Visitors Authority is the official destination marketing organization of Southern Nevada, promoting tourism, conventions, meetings and special events. The LVCVA's mission is primarily accomplished through national and international branding, marketing and advertising campaigns, sales efforts, public relations, special events, and operation of the LVCC. The LVCVA also markets Laughlin, Mesquite, and the outlying areas of Southern Nevada. Additionally, the LVCVA operates regional offices in Washington D.C. and Chicago, IL., and operates Cashman Center (Cashman).

Established by the Nevada State Legislature, the LVCVA is legally classified as a governmental entity and is required to follow all laws and regulations for state and local governments, including Nevada Revised Statutes (NRS).

Financial management in the government and private sectors differ significantly. Government accounting methods, budgeting, financial reporting, and constraints for both revenue generation and spending activities vary greatly from the private sector environment. Additionally, debt financing sources are considerably different between the two sectors.

LVCCD PROJECT BUDGET

The LVCCD Strategic Master Plan, dated October 2015, outlines the project phasing and estimated budget for the expansion and renovation of the LVCC. The Master Plan segments the project into four phases, as summarized below.

Phase One represents the acquisition of land contingent to the current campus to provide for current and future expansion. Over the last several years, 42 acres of contingent property have been acquired, including the 26.4 acre Riviera Hotel & Casino adjacent to the LVCC campus Gold Lot. Each parcel is being cleared of previous structures and prepared for interim client use as outdoor exhibit space, freight marshaling, parking and other needs until Phase Two construction begins. The entirety of Phase One is being fully funded through the LVCVA's existing resources and funding capacity.

Phase Two includes the construction of a 600,000 square foot exhibit hall and the additional support space required for meeting rooms, pre-function, service and support. The Phase Two budget is $860MM.

Phase Three includes the renovation and modernization of the existing convention center, including the addition of meeting rooms, a Northeast entry, a connector between halls, and support spaces. The Phase Three budget is $540MM.

Phase Four represents future improvements and expansion that will be determined based on client demand and preferences. This will be re-visited after completion of Phases Two and Three. The budget for Phase Four will be determined in the future and is not included in the financing analysis conducted herein.

FINANCING TEAM

Internal LVCVA Team

Rossi Ralenkotter, *President/CEO*
As President/CEO of the LVCVA, Mr. Ralenkotter is responsible for marketing and branding Las Vegas and Southern Nevada as the world's most desirable destination for leisure and business travel. He began his career with the LVCVA in 1973 as a research analyst. Prior to becoming President/CEO in 2004, he was the LVCVA's Executive Vice President and Senior Vice President of Marketing. From the creation of the LVCVA Research Department in the 1970's, which has evolved into the premier source of tourism industry statistics in the State of Nevada, to the development of iconic marketing programming and the recognition of Las Vegas as the trade show capital, Mr. Ralenkotter's career has encompassed four decades of growth and development in Las Vegas. Mr. Ralenkotter has served in leadership positions on influential industry organizations including the U.S. Travel and Tourism Advisory Board for the U.S. Department of Commerce, U.S. Travel Association, and Brand USA. Mr. Ralenkotter has been a resident of Southern Nevada for more than 60 years and earned a Bachelor of Science degree in Marketing from Arizona State University and a Master's degree in Business Administration from the University of Nevada, Las Vegas.

Rana Lacer, CPA, CGMA, *Chief Financial Officer*
Ms. Lacer joined the LVCVA Finance Department in 2008. She began her professional career in private sector finance, then transitioned to government finance nearly fifteen years ago. Ms. Lacer has been involved in numerous municipal debt financing transactions for three government agencies in Texas, Kansas and Nevada. Her financing experience includes short term bank facilities, commercial paper, certificates of obligation, state bond banks, new money municipal bonds and refunding bonds. Ms. Lacer serves on the Committee for Capital Planning and Economic Development, under the Government Finance Officers Association. She graduated summa cum laude from Austin Peay State University and is currently attending Columbia University's Business School Executive Education program.

Shannon Anderegg, CPA, CGMA, *Senior Director of Finance & Accounting*
Ms. Anderegg joined the LVCVA in 2012 after working in public accountancy for seven years with focuses on governmental entities, casino resorts and allied industry businesses. She has performed external audit services and gaming regulatory compliance engagements for publically traded and privately owned entities. Clientele included local governments, hotel casinos, a gaming equipment manufacturer and tribal gaming development business. Ms. Anderegg holds a Bachelor of Science degree in Business Administration with an emphasis in Accounting and a Master's degree in Accounting from the University of Nevada, Las Vegas.

Independent Financial Advisors

JNA Consulting Group, LLC (JNA) and Montague DeRose (MDA) have served as the Authority's primary financial advisors since 2013. JNA and MDA are independent financial advisory firms providing advisory and consulting services to municipal governments. JNA serves as advisor to the State of Nevada, Washoe County School District and the Nevada System of Higher Education, among others. MDA serves as advisor to the City of Los Angeles in connection with its convention center expansion, advises the State Treasurers of California and Washington, and has worked on the State of California's $2 billion commercial paper program since 1996. The JNA/MDA team has served as a financial advisor to the State of Nevada since 2001.

Marty Johnson, the primary LVCVA representative, has extensive experience working with multiple Nevada agencies and the legislature, and sits on the Committee on Local Government Finance (CLGF). He has developed financial models used by the State of Nevada, Washoe County School District and numerous other entities to evaluate the capital funding ability.

JNA has more than 40 years of experience with a broad array of financings including general obligation bonds, revenue bonds, assessment district bonds, redevelopment bonds, industrial development bonds, and certificates of participation. They have facilitated transactions covering transportation, education, water and sewer, healthcare, and general government financing. Cumulatively, JNA has advised on more than 500 bond issues, exceeding $15 billion.

Bond Counsel – Public Finance Transactions

Sherman & Howard LLC (S&H) is a regional firm with a national practice. Jennifer Stern serves as the lead attorney representing the LVCVA.

S&H serves a broad range of clients, including individuals, privately held businesses, multi-national corporations and government entities. The firm represents a vast array of governmental entities in the State of Nevada, including the State, counties, cities, school districts, convention and visitor authorities, general improvement districts, fire protection districts, water authorities and districts, flood authorities and districts, airport authorities and hospital districts. S&H has vast experience in public finance transactions, such as general obligation bonds, revenue bonds, medium-term bonds, general obligations additionally secured by pledged revenues, and installment purchase and lease purchase financings.

Additional Financial Experts

HVS Global Hospitality Services, Convention Sports and Entertainment (HVS)
HVS has performed hundreds of assignments around the world analyzing the feasibility of convention and conference centers, headquarter hotels, arenas, stadiums, event and civic centers, performing arts facilities, hospitality developments, tourism attractions, water parks, entertainment and urban development districts and museums. The LVCVA engaged HVS to conduct a study of the financing alternatives and strategies for the LVCCD. The analysis included a review of the LVCVA's projected funding capacity, the projected funding shortfall, and potential funding sources to support the project budget. The results of that analysis are discussed in the Debt Capacity section of this document.

Specialized Public Finance Inc. (SPFI)
SPFI is an independent firm based in Texas dedicated exclusively to providing financial advisory services to select governmental entities. Combined, the firm's advisors have more than 100 years of public finance experience. The LVCVA engaged SPFI to conduct a debt capacity analysis in 2012/2013 during the transition period of selecting a new permanent financial advisory team. The results of that analysis are also discussed in more detail in the Debt Capacity section of this document.

Morgan Stanley & Co. LLC (Morgan Stanley)
The LVCVA engaged Morgan Stanley to provide real estate financial advisory services in connection with the strategic land acquisition of the real property assets of the Riviera Hotel & Casino. Their engagement included providing advice with respect to defining land acquisition objectives, performing valuation analyses, cost analyses, as well as structuring, planning and negotiating the transaction on behalf of the LVCVA. By market share, Morgan Stanley is ranked No. 1 in real estate mergers & acquisitions transactions over the past 10 years. Edward King served as the LVCVA's lead advisor during the engagement. Mr. King is Managing Director and Global Head of Morgan Stanley's gaming practice, providing clients in the gaming sector with strategic advice on mergers, acquisitions and asset purchases, and assistance raising debt and equity capital in the private and public markets.

Future Advisory Engagements

The LVCVA will engage additional representation for specialized financial and legal services as appropriate. The timing and nature of the services will be identified in alignment with the progress of the LVCCD and the nature of the underlying financial strategies pursued. For example, specialized strategic advisors will be used to further any public-private partnership initiatives, develop practical solutions for implementation, and management of those potential relationships.

FINANCIAL INTEGRITY, AWARDS, AND RECOGNITION

The LVCVA has demonstrated a commitment to financial management, best practices, and accounting standards. The organization has received unmodified (i.e. clean) audit opinions every year of its existence. Additionally, the finance team ensures that all new regulatory standards are implemented on or before the required dates. The most recent Comprehensive Annual Financial Report (CAFR) is posted on the LVCVA's website, along with previous years' CAFRs, budgets, financial policies and other relevant financial information to ensure transparent access to the public. For more information, refer to the Additional Financial Information Available section of the document.

The finance team is recognized consistently for performing at the highest standards in government sector financial oversight, as proven through the following annual recognitions:

Government Finance Officers Association of the United States & Canada (GFOA)

Certificate of Excellence in Financial Reporting – 31 consecutive years

Distinguished Budget Presentation Award – 27 consecutive years

Popular Annual Financial Reporting Award (PAFR) – 8 consecutive years

National Procurement Institute (NPI)

Excellence in Procurement Award – 20 consecutive years

Outstanding Agency Award – 2015 (NEW)

EVOLUTION OF CORE MISSION – PROGRAMS & INITIATIVES

In the early 1950's, Southern Nevada's community leaders realized the cyclical nature of tourism caused a significant decline in the number of visitors during the weekdays, throughout the summer months, and over the holiday season. In order to attract more visitors to the area during slow periods, a new market was needed - convention travelers. This idea became the seed that blossomed into the development of the LVCC. The LVCVA was established by the Nevada Legislature in 1955 as the Clark County Fair and Recreation Board. Its function was to operate the LVCC and promote Southern Nevada as a convention-tourism destination. In the early years, marketing efforts focused on regional and national advertising campaigns and the operation of a convention facility with 150,000 square feet of leasable space. LVCVA programs and facilities have evolved tremendously since those early days.

Today, the LVCVA is a global leader in the tourism industry and the LVCC is the busiest convention center in North America, with almost two million leasable square feet of space. Combined with the other centers in the destination, Las Vegas has been recognized as the No. 1 tradeshow destination for 21 consecutive years, hosting more of the top 250 tradeshows than any other destination.

The LVCVA's outreach and strategies to drive visitation to Southern Nevada have evolved exponentially over the decades. The following programs reflect just a few of the dynamic changes implemented by LVCVA leadership to ensure the continued growth of our largest economic engine:

Special Events

In 1983, the LVCVA began partnering with **Las Vegas Events Inc**. (LVE) to promote and encourage special events that in turn, stimulate tourism and provide media exposure to drive people into town. Events sponsored range from rodeos (i.e. National Finals Rodeo) to golf (i.e. Mesquite Long Drive Championship) and from auto races (i.e. NASCAR, Primm 300 Off Road Race, NHRA Drag Races) to music events (i.e. Electric Daisy Carnival and the Laughlin Town Concerts) as well as award shows (i.e. Academy of Country Music Awards) and other sporting events (i.e. USA Sevens Rugby Tournament).

LVCVA HAS PROVIDED LVE OVER $180MM IN FUNDING SINCE 1983 FOR OVER 600 SPECIAL EVENTS.

Cashman Center
In 1983, the LVCVA constructed and opened **Cashman Center**. Cashman is a multi-purpose facility encompassing 483,000 square feet on a 55-acre site near downtown Las Vegas. It includes a 10,000-seat baseball stadium which is home of the Las Vegas 51s, the AAA affiliate of the New York Mets. The facility also features a 1,922-seat theatre, more than 98,000 square feet of exhibit space, and 14 meeting rooms.

Each segment of the facility is capable of functioning independently or in any combination for conventions and trade shows, business and group meetings, theatrical presentations, and sporting events.

Public Safety
1991 marked the first year of a long running partnership with the **Las Vegas Metropolitan Police Department** (Metro), with the introduction of an off-site swing shift bike patrol unit. Since that time, the LVCVA has funded over $30MM for public safety infrastructure and programs in the tourism sector including land acquisition and construction of the Metro Convention Center Area Command ($27.6MM). The LVCVA continues to carry debt service requirements in excess of $1MM annually associated with the Metro construction through fiscal year (FY) 2038.

SINCE 1991, THE LVCVA HAS FUNDED OVER $30MM FOR PUBLIC SAFETY.

Additionally, the LVCVA fully funds the costs for an Intelligence Analyst for the Southern Nevada Counter-Terrorism Center (cumulative $600,000 since 2010). Other contributions include funding for Metro's Safe Strip Initiative, hosting the International Tourism Safety Conference, and facility use for public safety training and events for over 17 local, state and federal agencies. LVCVA also provided land for a Clark County Fire Department sub-station on the LVCC campus.

Innovative and Award-Winning Branding

IN 2011, THE LVCVA SLOGAN, "WHAT HAPPENS HERE, STAYS HERE" WAS NAMED TO THE MADISON AVENUE ADVERTISING WALK OF FAME.

In 2003, the LVCVA launched the most successful branding campaign in tourism history, which is best known for its oft-repeated tagline, "**What Happens Here, Stays Here**". In 2004, the LVCVA won the coveted Brandweek Grand Marketer of the Year Award, followed by an induction into the Madison Avenue Advertising Walk of Fame in 2011.

In 2004, the LVCVA introduced **Diversity and LGBT** programming with the implementation of targeted marketing initiatives focused on key vertical markets. Programming expanded in 2012 with the addition of staff and resources dedicated to **Cultural, Medical and Wellness Tourism**.

Tourism Transportation Infrastructure

In 2007, the Nevada legislature passed Assembly Bill 595, requiring the LVCVA to dedicate a portion of its room tax revenues to fund transportation infrastructure projects within the Southern Nevada tourism corridor for the **Nevada Department of Transportation** (NDOT). In accordance with the legislative mandate, the LVCVA issued a series of bonds between 2008 and 2010 totaling an aggregate principal amount of $300MM. The annual debt service averages $20MM per year and funding obligations mature in FY 2039.

THE LVCVA HAS PROVIDED $300MM FOR NDOT INFRASTRUCTURE PROJECTS.

NDOT has used the funds to complete several major projects including the I-15 Express Lanes and I-15 South Design-Build project. The remaining proceeds are funding a project that includes improvements to pedestrian bridges, sidewalks, barriers, and escalators at the intersection of Tropicana Avenue and Las Vegas Boulevard.

Airline Development

In 2007, the LVCVA began dedicated **Airline Development** programming, partnering with McCarran International Airport to maximize air carrier outreach efforts, leveraging relationships with senior level airline route development planners, and making the business case for Las Vegas as a viable destination for international and domestic air carriers. Hosting aviation industry events such as the World Routes Conference, Routes America, CAPA and the Boyd Aviation Conference has provided influential air development professionals with firsthand destination knowledge and experience. As a result, international airline seats grew 48% from 2007 to 2015, according to Diio Schedule Data.

International Marketing

2008 marked the beginning of a new era for the LVCVA's **international marketing strategies**. Although the LVCVA has had international representative offices in targeted markets for more than 20 years, a dedicated International Sales Department was created in 2008 and the scope and scale of international office programs were significantly increased. Resources were devoted to global marketing programs and advocacy for policies that increase opportunities to attract more international visitors. Today, the LVCVA has 12 international offices and invests more than $6.5MM annually in these efforts. The number of international visitors has grown from 4.6 million in 2005 to 7.8 million in 2014. There are very few places on earth that have not been exposed to and recognize the Las Vegas brand. The LVCVA operates international representative offices in Canada, Mexico (covering Mexico and Central America), United Kingdom, Australia (covering Australia and New Zealand), China (covering China, Singapore and Taiwan), Brazil (covering all of South America), South Korea, Germany (covering Continental Europe except for France), Japan, Ireland, France and India.

THE NUMBER OF INTERNATIONAL VISITORS HAS GROWN FROM 4.6MM IN 2005 TO 7.8MM IN 2014.

Advocacy

> ROSSI RALENKOTTER'S BOARD REPRESENTATION INCLUDES: BRAND USA, USTA (PAST CHAIR), AND TTAB (PAST CHAIR).

Over the last decade, the CEO and executive team have significantly expanded **advocacy efforts** to represent Las Vegas and promote and grow tourism. The LVCVA is represented through staff memberships and board positions on numerous national and international organizations such as the US Travel Association (USTA), US Travel and Tourism Advisory Board (TTAB), Brand USA, Pacific Asia Travel Association, Corporate Event Marketing Association and the International Association of Exhibitions and Events. Leadership positions in these important organizations enables the LVCVA to expand the reach, influence, and impact of the Las Vegas brand while addressing issues that affect domestic and international travel.

Expansions

Since opening in 1959 with 150,000 square feet of exhibit space, the LVCC has expanded to accommodate the growing convention business. **A total of seven expansions** have been completed, which brings the LVCC's total footprint to 3.2 million square feet.

Today

In FY 2016, the LVCVA's gross authorized room tax rate of 5% remains unchanged from the rate originally authorized in 1959. The LVCVA has never requested additional public funds to support operating programs or capital projects. Over the years, many other entities have been authorized incremental rate additions, so that the total lodging tax rate levied now averages 12%. As Las Vegas experienced immense growth in the number of rooms, the average daily rates also climbed. This lead to the growth in room tax revenue collected. The LVCVA continues to successfully utilize its incremental portion of room tax growth to cultivate methods which drive more tourism for the benefit of Southern Nevada and the state as a whole.

> THE LVCC OPENED IN 1959 WITH 150,000 SQUARE FEET. TODAY LVCC'S TOTAL FOOTPRINT IS 3.2MM SQUARE FEET.

- Visitation has grown from less than five million annual visitors to over 42 million.
- Room inventory in the metropolitan area has grown from less than 20,000 rooms to nearly 150,000.
- Conventions and meetings held in the LVCC have grown from eight in the initial year to 49 in 2015, growing convention attendance from 22,519 to 1.3 million.

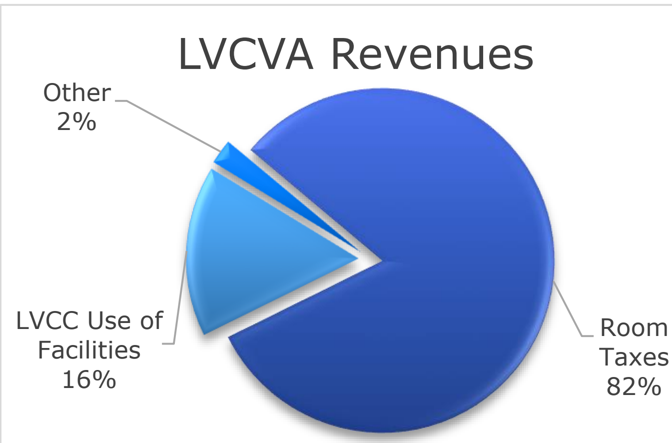
Over the last six decades, the LVCVA has demonstrated the ability to effectively use its available resources to expand programs and strategies that ensure Las Vegas and Southern Nevada remains a premier travel destination for both domestic and international visitors, representing both leisure and business travelers.

FINANCIAL OVERVIEW: SOURCES & USES OF CURRENT FUNDING

Prior to embarking on significant new capital programs, the LVCVA reviews its operating activities, financial conditions and prevailing economic trends to ensure its ability to support the project funding plan without detriment to the core mission to drive visitation. Historical trends and context on current revenue and expenditures are provided below. This analysis served as foundation for the development of the LVCCD pro forma assumptions.

CURRENT SOURCES OF FUNDING

The LVCVA currently funds ongoing operating programs and services primarily from the revenues generated by its authorized room tax rate and supplemented by facility use fees generated at the LVCC. Room tax provides approximately 82% of total revenues each year. LVCVA's other resources include LVCC facility use fees which generate about 16% of total revenues. The remaining 2% is derived mainly from building partner rent, interest earnings, and facility use fees from operations at Cashman.

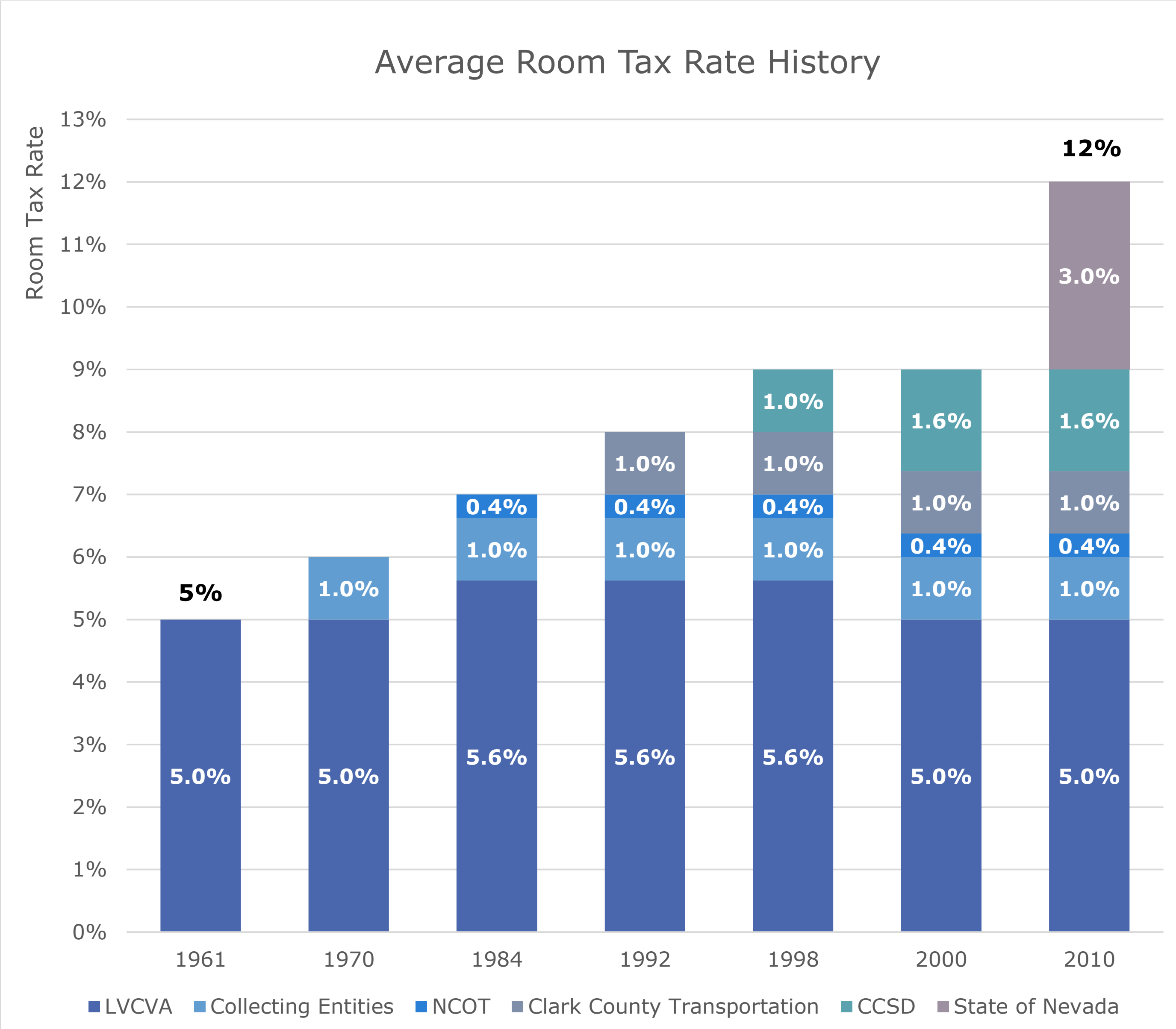


As with many government entities, the LVCVA has no significant direct control of its primary revenue stream. The revenue structure is also highly dependent on a single source which has shown high volatility in the past decade. Investors expect budget developments to address this primary construct, so utilizing trends and conservative estimates on growth are necessary in long-term financial planning. To prepare forecasts for the future, both long-term and near-term room tax trends were examined.

ROOM TAX

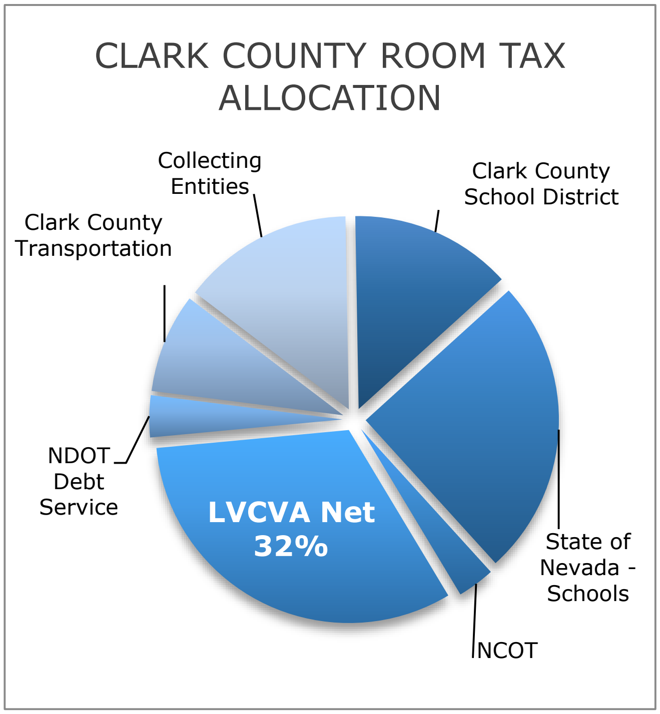
The LVCVA receives room tax by authorization of the Nevada State Legislature [NRS 244.335(6) (County) and NRS 266.095 (1)(b)(5)]. Any increase in the tax rate must be approved by the Legislature. The portion of the room tax received by the LVCVA is 5% and is levied on hotels, motels, and other lodging establishments throughout Clark County, Nevada and the incorporated cities. In addition, room tax levies for other entities have been Legislatively authorized over time and are indicated in the following graph. The average room tax rate in all of Clark County, including all levies, is 12%.

ANY INCREASE IN THE ROOM TAX RATE CAN ONLY BE ACCOMPLISHED BY ACTION OF THE NEVADA STATE LEGISLATURE.



Beyond the LVCVA's 5%, room tax received by other entities is for the following purposes:

- **Collecting Entities** (Clark County and the following cities: Boulder City, Henderson, Las Vegas, Mesquite, and North Las Vegas), 1-2%: allocated to their General Fund to be used at each entity's discretion.
- **Clark County School District** (CCSD), 1 5/8%: restricted for capital projects and school construction. 5/8% was originally directed to the LVCVA in 1984 to fund special events, but was subsequently diverted to the CCSD.
- **Clark County Transportation**, 1%: restricted for the construction and maintenance of vehicular traffic projects within Clark County.
- **State of Nevada**, 3%: allocated to a General Fund line item designated for education funding.
- **State of Nevada**, 3/8%: allocated to the Nevada Commission on Tourism (NCOT), to be utilized for the promotion of tourism statewide.



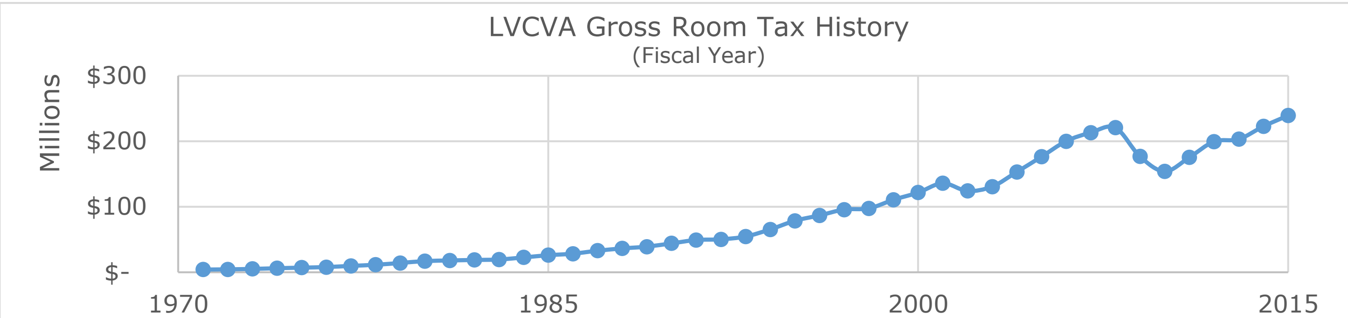
From the LVCVA's statutorily authorized rate of 5%, the LVCVA benefits from a net room tax rate of 4.2% (FY 2015). This is the result of legislative action over time that reassigned portions of the 5% levy for other purposes: 1) A collection allocation fee of 10% of all room tax collected on behalf of the LVCVA is returned to the collecting jurisdictions, as authorized under NRS 244A.645 which states the LVCVA may, "Defray the reasonable costs of collecting and otherwise administering such taxes from not exceeding 10 percent of the gross revenues so collected…"; 2) the LVCVA is obligated to fund annual principal and interest payments of over $20MM annually to support bonds issued on behalf of the Nevada Department of Transportation resort corridor infrastructure improvements. The debt obligations extend through FY 2039.

The ultimate effect is that the LVCVA benefits from room tax revenue of 1/3 of the total amount levied on the visitor. Since room tax is the LVCVA's primary revenue source, a thorough review of the underlying factors was critical to the pro forma development. A comprehensive history of all room tax generated in Clark County since inception is also attached as a supplement to this report.

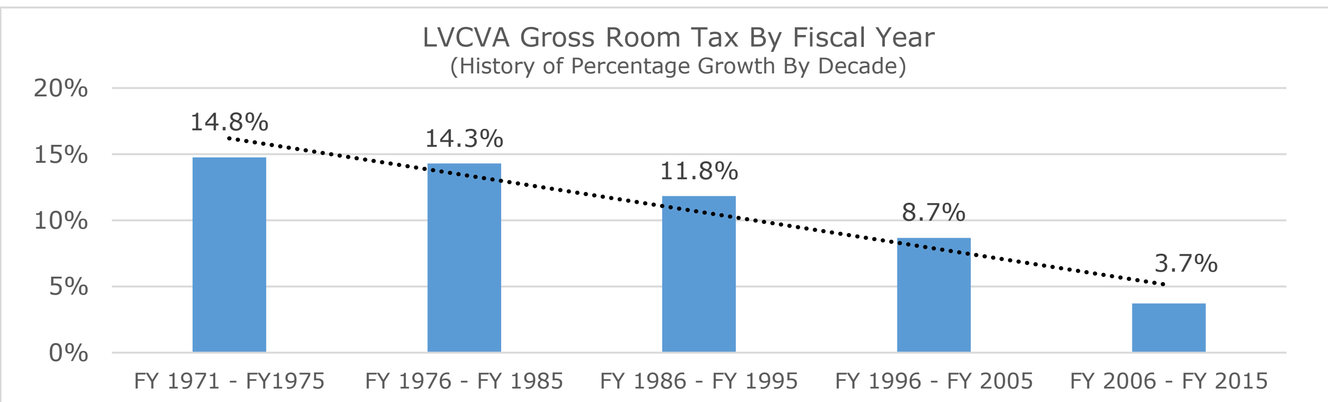
FY 2016 COUNTY-WIDE ESTIMATES OF ROOM TAX			
LVCVA Retains for Operations & Marketing		**$ 199,399,141**	**32.2%**
4 - 5% distributed to LVCVA	$ 245,100,000		
(Less Collection Allocation Remitted to Entities)	(24,510,000)		
(Less Debt Service for Transportation)	(21,190,859)		
Portion Distributed to Entity / Jurisdiction		**87,610,000**	**14.1%**
1 - 2% Room Tax Retained by Entity	63,100,000		
Collection Allocation to Entities	24,510,000		
Clark County Transportation (1%)		**52,000,000**	**8.4%**
Clark County School District - Capital (1 5/8%)		**84,500,000**	**13.6%**
Nevada Department of Transportation		**21,190,859**	**3.4%**
State of Nevada Schools - Operating (3%)		**155,000,000**	**25.0%**
State of Nevada Tourism (3/8%)		**19,500,000**	**3.1%**

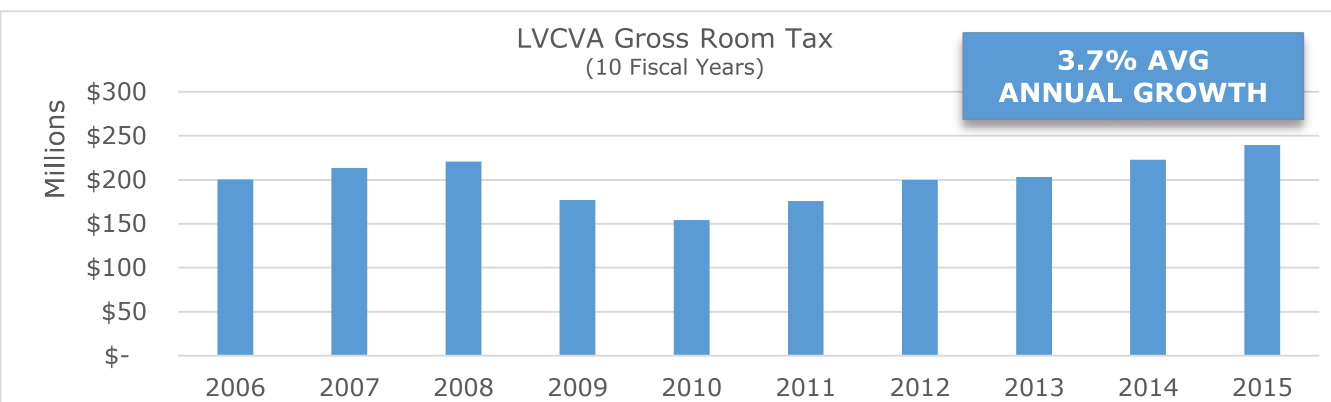
Room Tax Revenue Trends

Room tax revenue results are driven by the average daily taxable room rental rate (ADR), the numbers of rooms in inventory, and occupancy levels. ADR is controlled by the hotels and is strengthened or weakened by visitor demand combined with the number of rooms available. LVCVA only has an indirect ability to increase this revenue stream through promotion of the destination, which drives visitation. This increases occupancy and creates upward pressure on ADR.



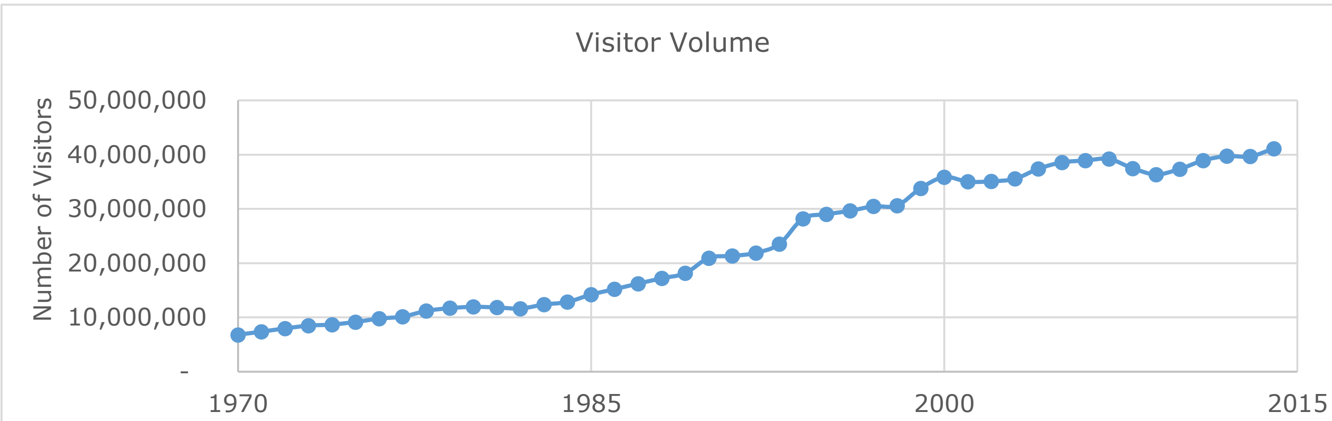
LVCVA gross room tax revenue grew from $4.0MM in FY 1971 to $239.0 MM in FY 2015. Room tax results reflected unprecedented volatility over the last 15 years, dipping as much as 14% in a single year. When evaluating room tax history by 10-year increments, distinct trends appear. Growth as a percentage by decade has been steadily declining. The most recent 10-year period realized less than 4% annualized growth.

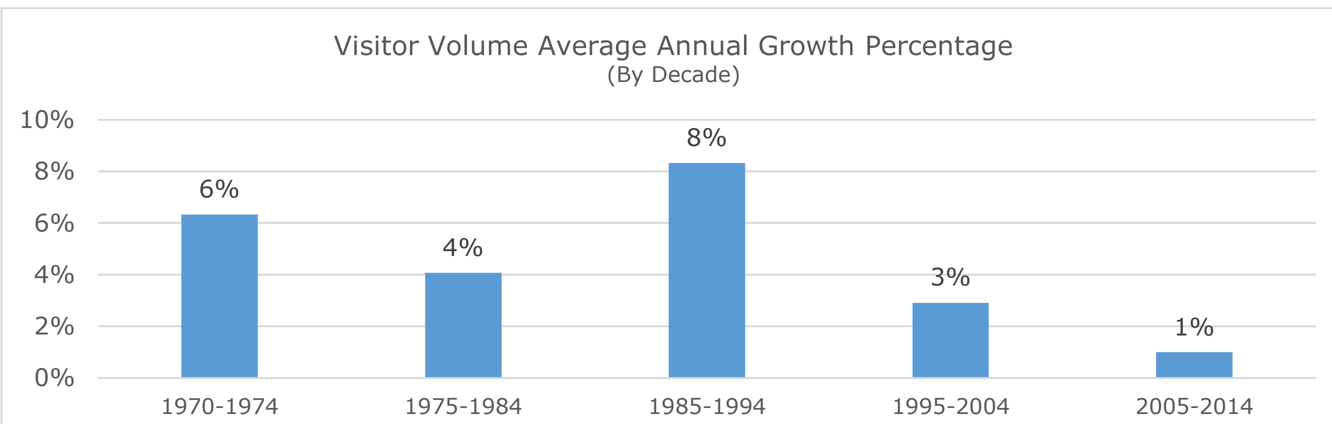


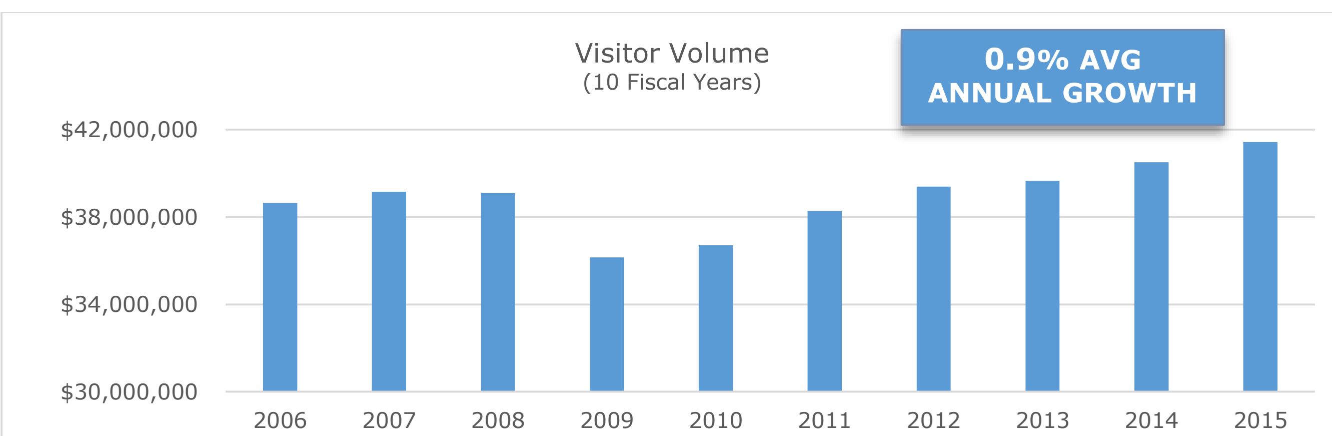


Metropolitan Las Vegas Visitor Volume

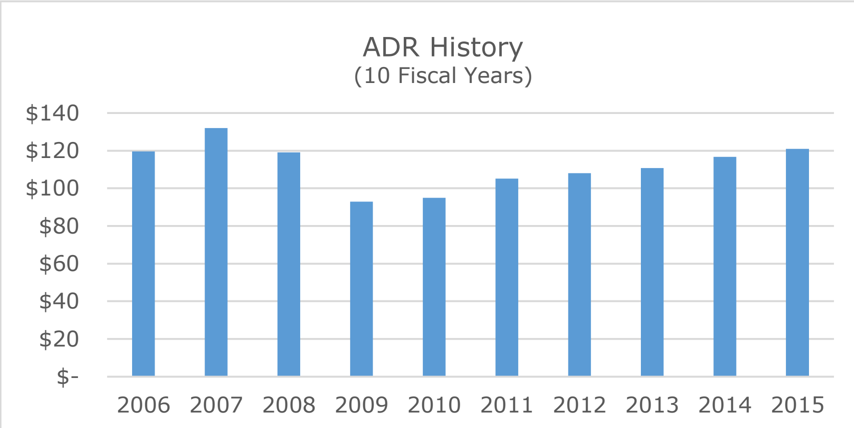
Metropolitan Las Vegas includes The Strip, Downtown, and surrounding cities, but excludes the cities of Laughlin and Mesquite. Average visitor volume growth per year since 1970 is 4%. Visitor volume increased from 6.8 million in 1970 to over 42 million in 2015. Though this was a record-breaking year for total visitors to the destination, annual growth over the last 10 years has averaged 1% per year. This moderate growth trend is expected to continue in future years.







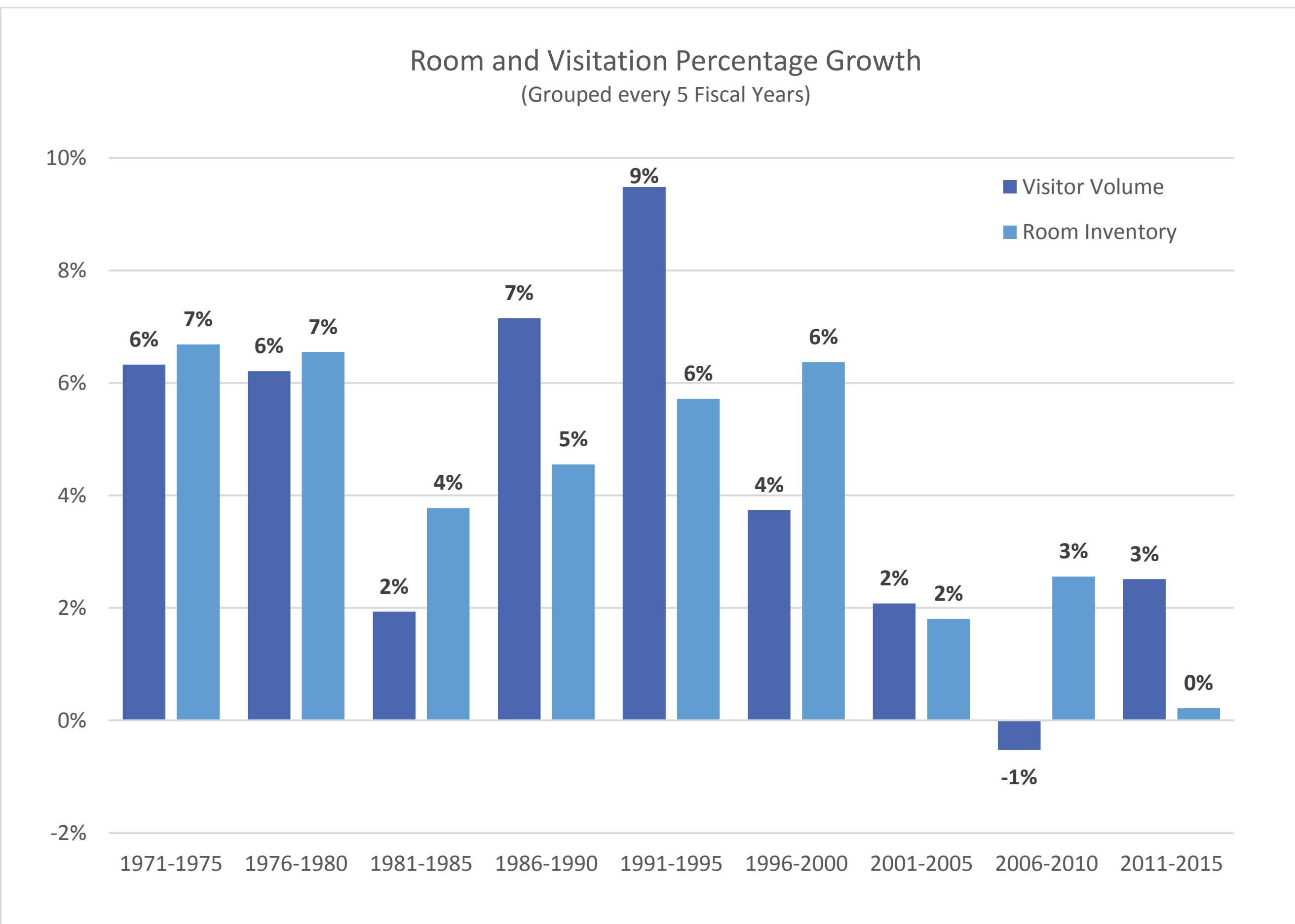
ADR Trends



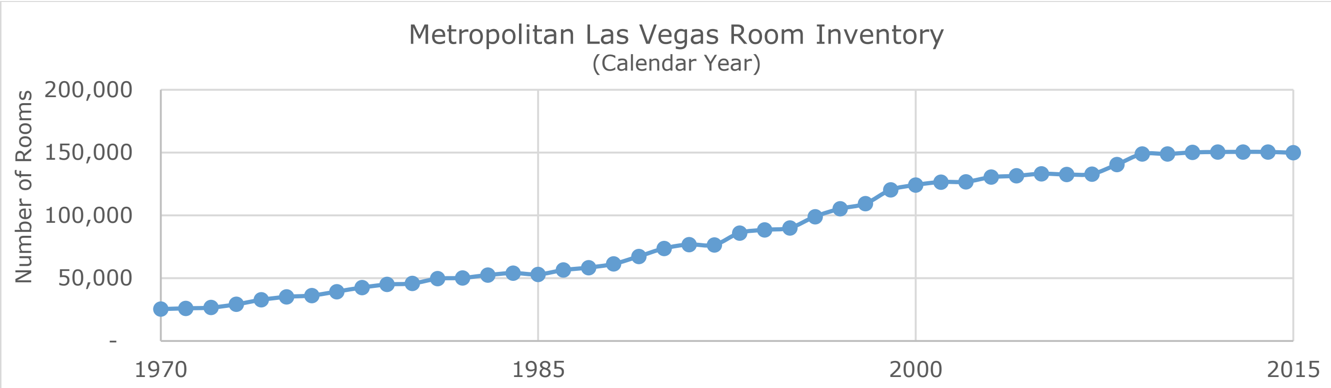
Changes in room tax revenue are mainly due to fluctuating ADR, which the hotels adjust daily to drive occupancy and fill rooms, especially during seasonal slow periods and economic downturns. The volatility of ADR was documented during the recession where it experienced the most significant dip of all the room tax factors.

Visitor Volume & Room Inventory

Room inventory development by private industry has historically been consistently correlated with visitor volume growth. During the most recent recession, room inventory increased as visitor volume decreased. Visitation since the recession has trended to fill the current inventory. Trends and industry accouchements indicate modest growth in room expansion is expected for the next few years.

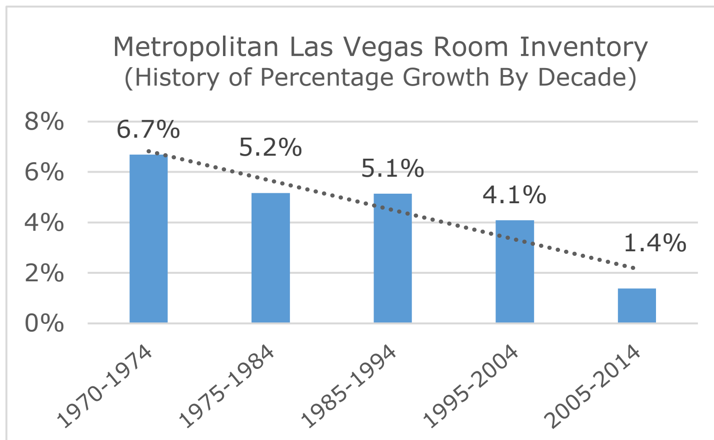


Metropolitan Las Vegas Room Inventory

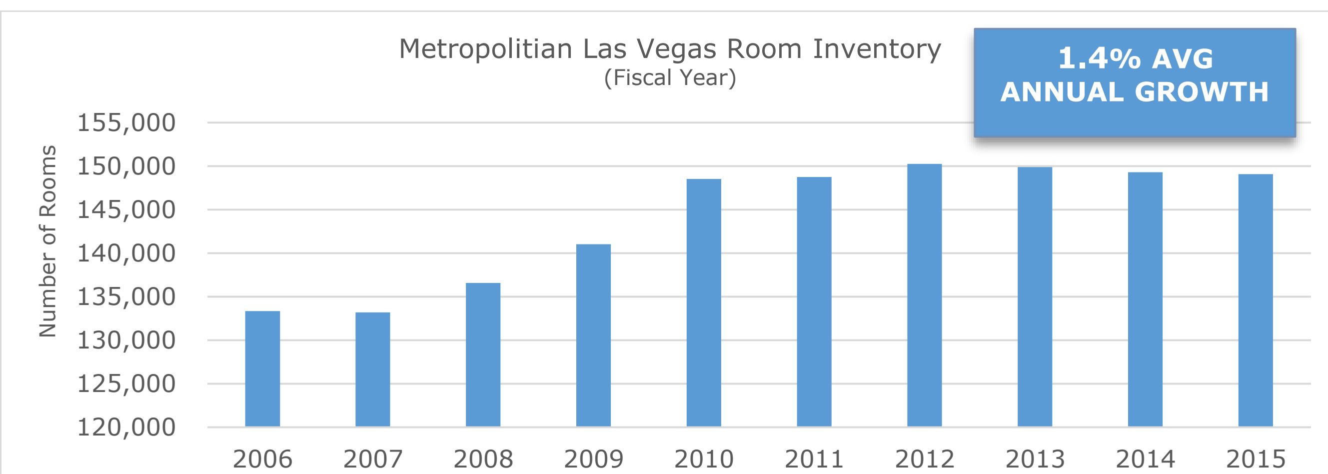


Room inventory in the Las Vegas metropolitan area was 25,400 in 1970 and increased to nearly 150,000 by 2015. Rooms were added at an average annualized pace of 4% growth since 1970; however, that pace drops to just over 1% when assessing the most recent decade.

Room inventory growth as a percentage reflects a downward trend as the destination has matured. Although there may be another explosive spike in mega-resort construction in the future and significant additions to room inventory, those opportunities are indeterminate at this time. Near-term announcements of additional rooms reflect continued modest growth, in alignment with supporting incremental new visitation from the business and meetings sector.



The most recent 10-year period reflects an average annualized increase in room inventory within the Las Vegas metropolitan area of just over 1%.



REVENUE FROM LVCC FACILITY USE

The LVCVA owns and operates two facilities, the LVCC and Cashman Center. Use of Facilities revenues are generated through a variety of rental charges (i.e. exhibit halls, meeting rooms, equipment and parking lots, along with concessions and contractor services commissions). As with most government activities, these facilities were never intended to be self-supporting, but rather to generate visitors to the Las Vegas area, especially during midweek periods. These visitors, in turn, contribute a substantial economic impact on our overall economy and benefit the citizens.

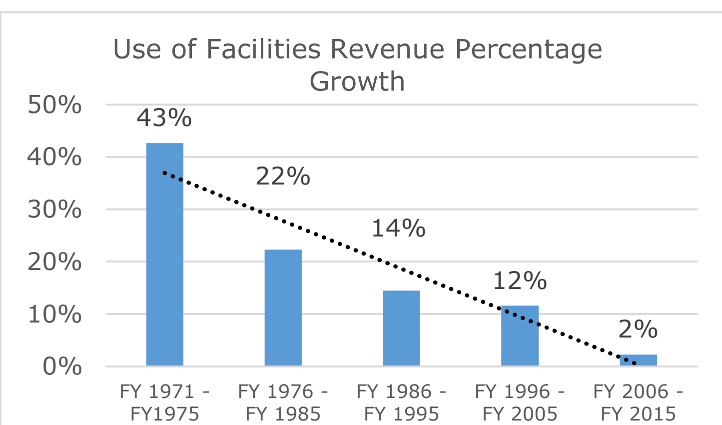
Year	LVCC Gross Exhibit Space	Cashman Gross Exhibit Space	Total Gross Exhibit Space
1959 - 1967	150,000	-	150,000
1968 - 1972	240,000	-	240,000
1973 - 1977	379,000	-	379,000
1978 - 1981	581,000	-	581,000
1982 - 1998	708,000	98,000	806,000
1999 - 2001	1,032,135	98,000	1,130,135
2002 - present	1,940,631	98,000	2,038,631

Note: Does not include temporary exhibit space

HISTORY OF RENTAL RATES - LAS VEGAS CONVENTION CENTER	
5 cents per net square foot	1959-1988
15 cents per net square foot	1988-1998
20 cents per net square foot	1998-2001
25 cents per net square foot	January 2002 - June 2009
29 cents per net square foot	July 2009 - June 2016
33 cents per net square foot *	July 2016 - June 2018
35 cents per net square foot *	July 2018 - TBD

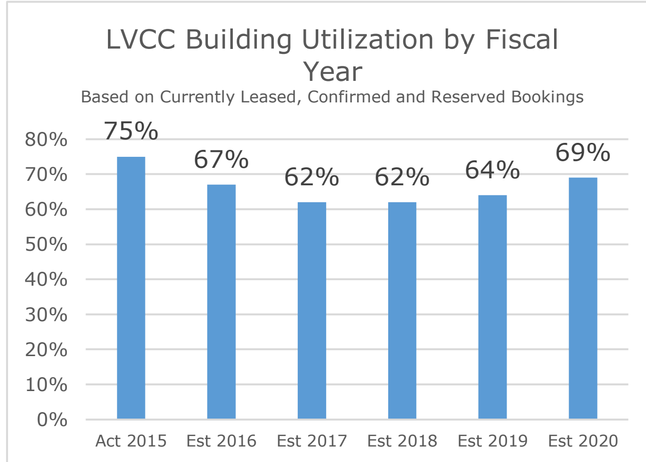
* Board Approved on April 3, 2015

Above are rental rates for the LVCC. As new agreements are executed, lease agreements will come under the new rates. Future rate increases will be considered post-completion of LVCCD Phases Two and Three, and will be based on competitive market conditions and sensitivity to business impacts.



Growth in revenues from use of facilities increased significantly after the previous expansions, but growth has reached a plateau over the last decade. The last 10-year period has realized an average 2% annualized growth rate. Based on industry standards, the current facility is showing minimal additional utilization available. Without additional capacity, growth in revenues are largely limited to cost increases for customers.

In an average year, with 13 exhibit halls, the LVCC has 4,745 days of possible utilization. Industry standard dictates that when utilization is at 70%, the facility is at 100% occupancy. This is necessary to provide time for cleaning, regular on-going repair and maintenance of a facility, and holidays, taking into account seasonality of the industry. FY 2015 utilization was 75%. At this early date, the LVCVA utilization outlook for the next five years already averages 65% not including potential additional shows as future periods near.



REVENUES FROM OTHER MISCELLANEOUS

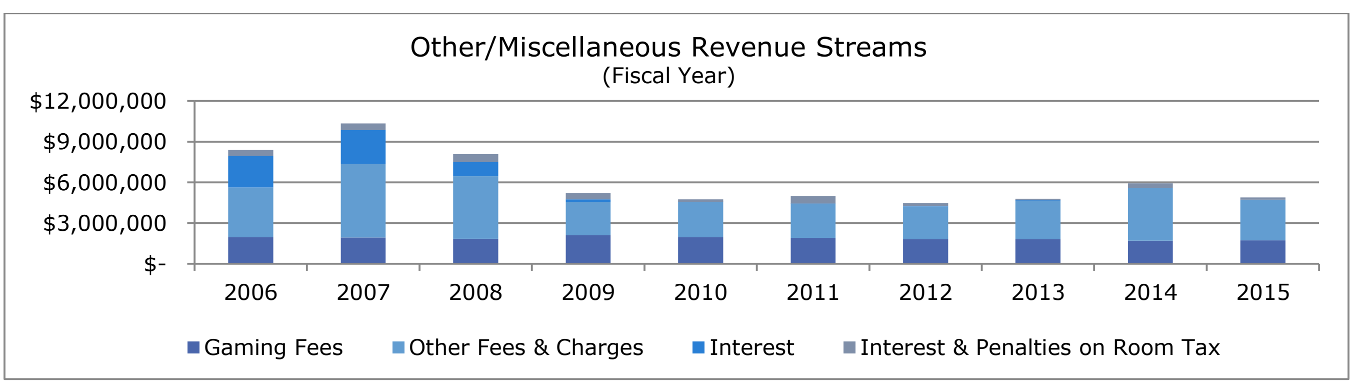
Historically, other and miscellaneous revenues account for less than 4% of total revenues. Over the last five years, "Other Fees and Charges" have averaged $5MM each year or 2% of total resources. These revenue streams are comprised of a variety of sources. The majority is derived from independent services not directly related to the rental of facilities for tradeshows, conventions and meetings. This category of revenue is primarily derived from building partner rents (FedEx, American Express Open, etc.), interest and investment earnings, and gaming fees.

HISTORICALLY, OTHER AND MISCELLANEOUS REVENUES ACCOUNT FOR LESS THAN 4% OF TOTAL REVENUES.

Several revenue streams within this category have reflected consistent trends of decline over recent years, specifically, gaming fees and interest earnings.

Gaming fees are quarterly license fees imposed on operators of games based on the number of table games and slot machines in operation. These fees were originally established in 1957 under NRS and have remained unchanged. Collection Allocation of 10% is also netted from the LVCVA's gross gaming fees received and returned to the collecting jurisdictions. Due to changes in the gaming industry, this revenue stream has demonstrated declining trends over the last six years.

Interest earnings have been in decline for many years and dropped precipitously after the recent financial crisis. Rates today remain at historical lows and forecasts for future growth are uncertain.

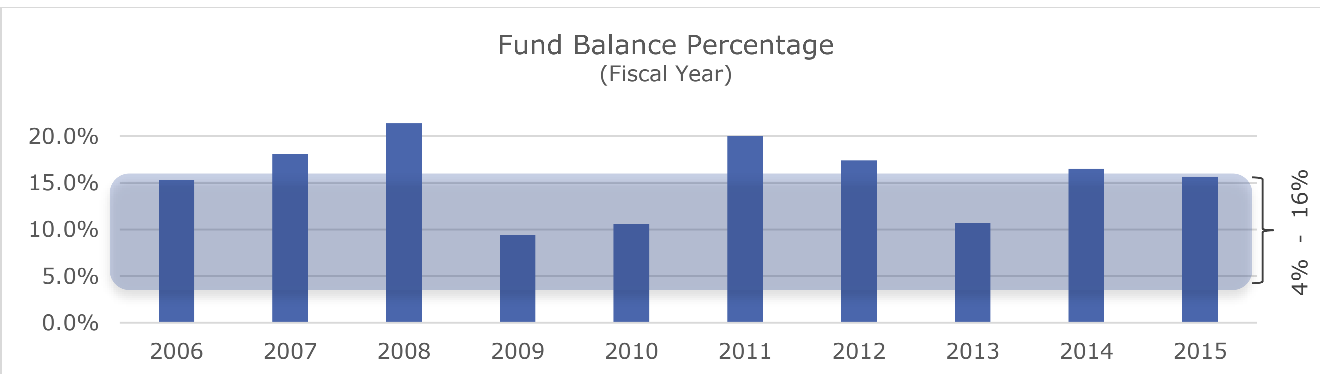


OTHER SOURCES OF FUNDING: FUND BALANCE

Nevada Revised Statutes 354.533 defines fund balance as the excess of assets over liabilities in a governmental fund. Put another way, fund balance represents the net difference between total financial resources and total appropriated uses. Fund balance is similar to equity in the private sector, in the way that it is helpful to maintain adequate resources to cope with contingencies, and provides some indication of an entity's overall financial health. While changes may occur from year to year, maintaining proper fund balances over the long term is an important component of sound financial management and a significant factor in bond ratings. This is especially true among smaller governments with limited diversification of revenue sources.

Based on Nevada Administrative Code 354.650-660, a minimum fund balance of 4.0% of budgeted General Fund operating expenditures must be maintained. The Government Finance Officers Association (GFOA) best practice recommends, at minimum, maintaining a General Fund balance for general purpose governments of no less than two months of expenditures or revenues (16%).

The LVCVA begins the first six weeks of each new fiscal year operating from beginning fund balance based on the timing of the first room tax collections for that new year. Six weeks is approximately 12% of budgeted operating expenditures. Thus, in order to ensure that the LVCVA has sufficient resources to meet all of its financial obligations in a timely manner and essential services are not disrupted in times of fluctuating revenues, the LVCVA's fiscal practice is to target a General Fund ending fund balance of up to 16%. This prepares for potential variances in economic conditions without detriment to operations.



In the government sector, it is important to budget revenues conservatively as most revenue streams are not under direct control of the entity. Conservative budgeting works to ensure operations can continue despite temporary unexpected reductions when need is most critical. It is also necessary to budget expenditures more aggressively as these amounts become the maximum allowable amounts the entity can spend. Because of this budgeting practice, ACTUAL ending fund balance always exceeds budgeted fund balance. This was true even during the recession.

During the recession, the LVCVA strategically used strong general fund balance amounts to meet the essential needs of its mission. However, the LVCVA always maintained a fund balance above the state's minimum guidance of 4%.

OTHER SOURCES OF FUNDING: DEBT FINANCING

As a government entity, the LVCVA can finance operations and capital programs through borrowing, most commonly through long-term bonds. The LVCVA has a policy to avoid incurring debt for ongoing operations. Debt is incurred only for significant capital programs and property acquisitions.

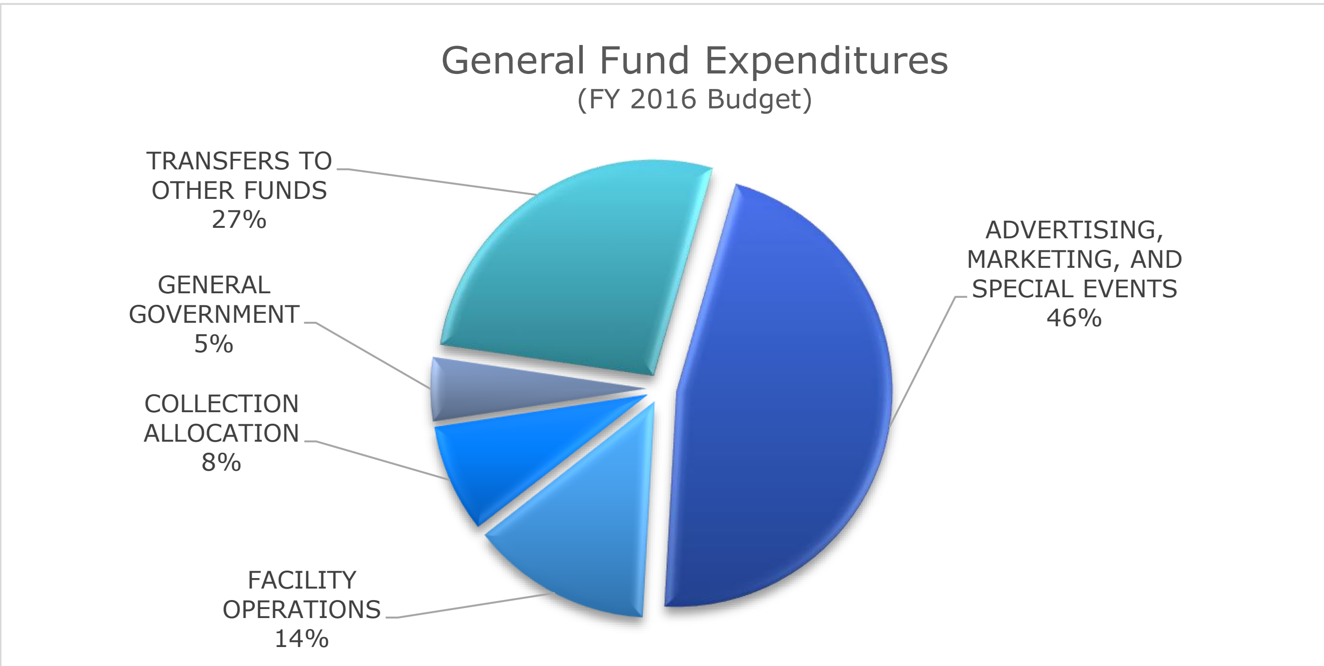
LVCVA bonds are secured by the revenues it receives (room tax as well as various operating revenues) less certain operating expenses. The net revenues pledged are referred to as "pledged revenues". LVCVA pledges these revenues to bonds secured only by the revenue pledge as well as to bonds which also carry the general obligation pledge of Clark County. In order to ensure that the LVCVA will not rely on the County's general obligation pledge, the LVCVA Debt Management Policy states that it will strive to maintain annual pledged revenues that are at least 3.0 times the amount of annual debt service. This coverage ratio is higher than the 1.5 times contained in the bond legal documents due to the narrow nature and volatility of the primary revenue source.

LVCVA has also utilized short term borrowing programs (such as commercial paper) to fund various capital or land acquisition programs. These short term issues are generally backed with a pledge of revenues that is subordinate to that of the outstanding bonds. These short-term programs are generally designed to provide ready access to funds and refinanced with long term fixed rate bonds. Financing programs are discussed in more detail in the Financing Environment and Available Instruments section of this document.

CURRENT USES OF RESOURCES

The LVCVA budgets and reports financial results on a fund basis. The General Fund is the primary operating fund, accounting for most of the entity's financial resources. Expenditures are classified by function and are those that comprise the normal operations of the LVCVA.

Nearly half of all resources flow directly to support the LVCVA's core mission to drive visitation through Marketing, Advertising and Special Events. Another 14% directly supports the core mission through the operation of the LVCC and Cashman.



Transfers to other funds (27%) represents monies moved to the Capital Fund, Debt Service Fund and Other Post-Employment Benefits (OPEB) Liability Fund.

General Government includes Finance & Purchasing, Human Resources, Public Affairs, Legal, Internal Audit and the Executive cost centers. The LVCVA allocates less than 5% of available resources to these administrative functions annually, which is on the low end of the scale when compared to state and local government averages.

The allocation of approximately 8% of available resources is directly tied to the return of a collection allocation on gross room tax and gaming fees to the collecting jurisdictions as designated by NRS. Collection allocation is the only category of the LVCVA's disbursements that does not have a direct or indirect tie to driving leisure or business visitation.

STRATEGIC USE OF RESOURCES BY MAJOR PROGRAM/FUNCTION

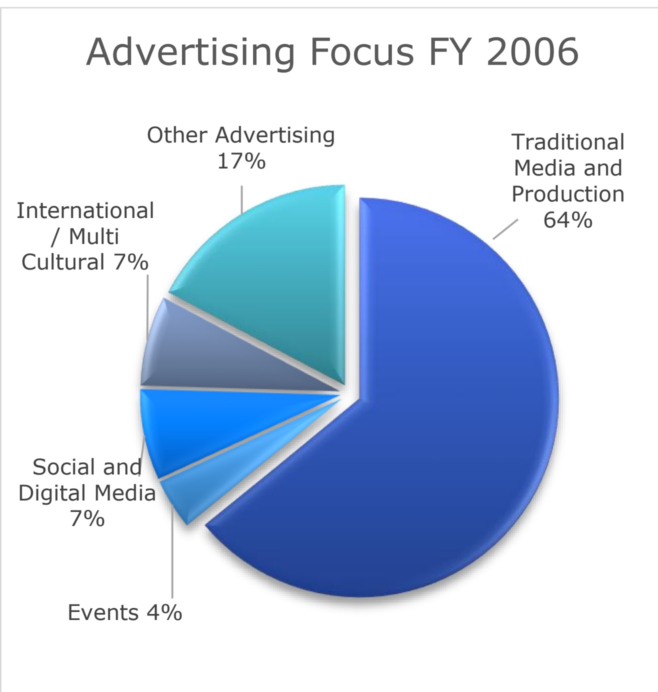
LVCVA has continued to innovate programs and modify budget distributions within each of the primary functions to ensure maximum impact as the market has transformed and grown.

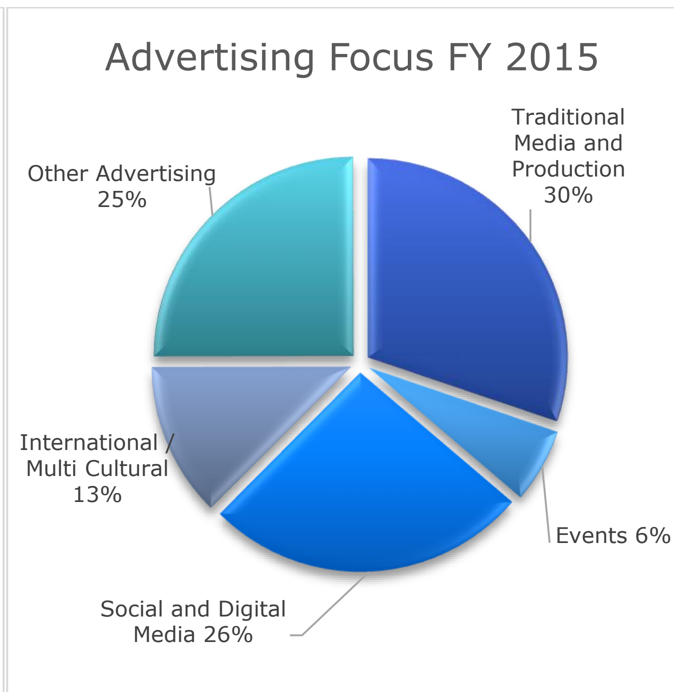
Advertising

Advertising programs, accomplished with the LVCVA's agency of record, R&R Partners, build the foundation for advertising and promotional expenditures for the Southern Nevada tourism industry. This results in a benefit-cost ratio of $28 to $1, according to a study published by Applied Analysis.

Over the last 10 years, advertising has shifted to reach consumers in a changing marketplace.

- In FY 2006, traditional media and production (television, radio, print, etc.) was 64% of expenditures and in FY 2015 it was 30%.
- As consumer use of social and digital media evolve, additional funds are allocated to these programs. In FY 2006, $6MM was spent on these programs and in FY 2015 $24.4MM was invested.
- International and multicultural advertising also has increased from 7% in FY 2006 to 13% FY 2015.



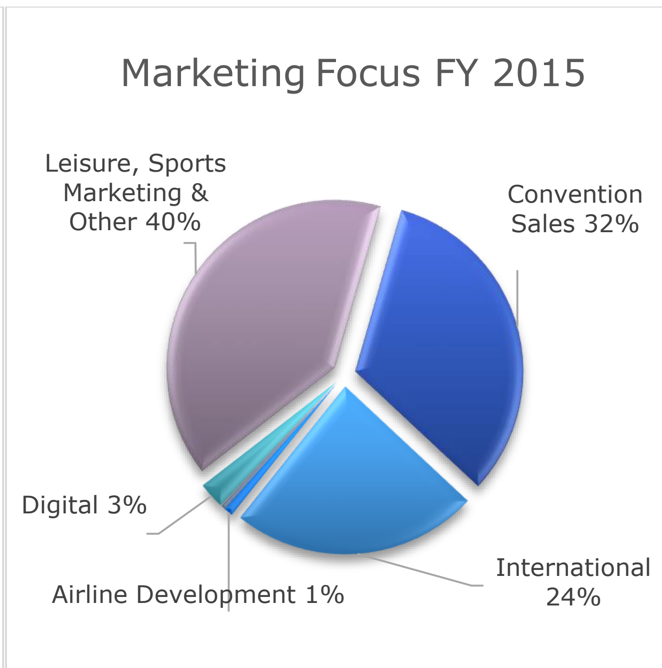


Marketing

The Marketing division, which includes sales, research, airline development, brand public relations, international marketing and special events, and customer experience, has a separate and distinct budget from the advertising function. While aligned with the advertising efforts, marketing programs focus on leisure and business opportunities that cannot be accomplished through advertising alone.

These budgets have seen modest overall increase over the past 10 years. This was accomplished by being flexible to meet changing customer needs. Some examples include:

- In FY 2006, International Marketing was 22% of expenditures and in FY 2015 had grown to 24%.
- The rapid evolution of digital marketing has created new opportunities for advertising and marketing. As a result, digital marketing represented 3% of the FY 2015 expenditures and is expected to grow.
- Call center staffing was reduced and hosting services were halted in response to evolving customer needs.
- Airline Development budgets were created and now average $350K a year.

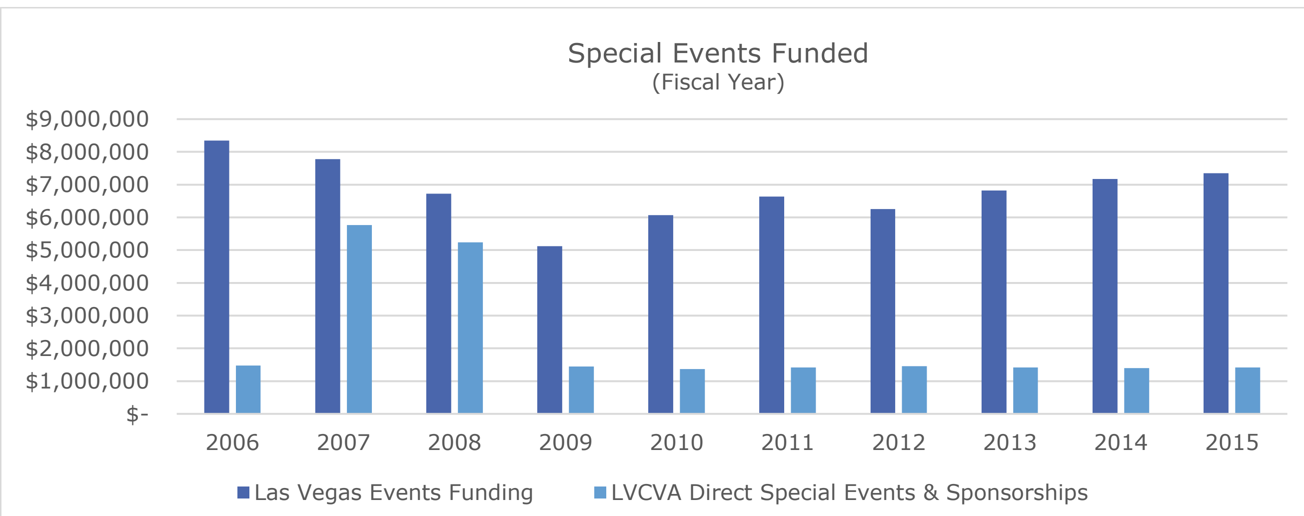


Special Events Funding

The LVCVA provides annual funding for special events to LVE. LVCVA has provided LVE over $180MM in funding since 1983 for over 600 special events. LVE funds are used for events such as New Year's Eve events, concerts, award shows and a myriad of other events which draw visitors. LVE funding averaged $6.8MM per year over the last 10 years. Funding for special events increased $3.5MM in FY 2016 to a budget of $10MM. The FY 2016 growth is related to increased funding for new events like Rock in Rio. This funding will increase in FY 2017 forward to incorporate a new sponsorship agreement with the National Finals Rodeo. The new contract secured the rodeo's commitment to Las Vegas for the next 10 years.

> SINCE 1983, COMBINED FUNDING FOR SPECIAL EVENTS, THROUGH BOTH LVE AND DIRECT SPONSORSHIPS, HAS EXCEEDED $230MM AND OVER 700 EVENTS.

The LVCVA also directly funds special events (separate from LVE) which promote the brand of Las Vegas as well as targeting key visitor demographics at an average $1.4M per year for a variety of events including NASCAR. This funding will also increase in FY 2017 for additional sponsorships for the Professional Rodeo Cowboys Association.

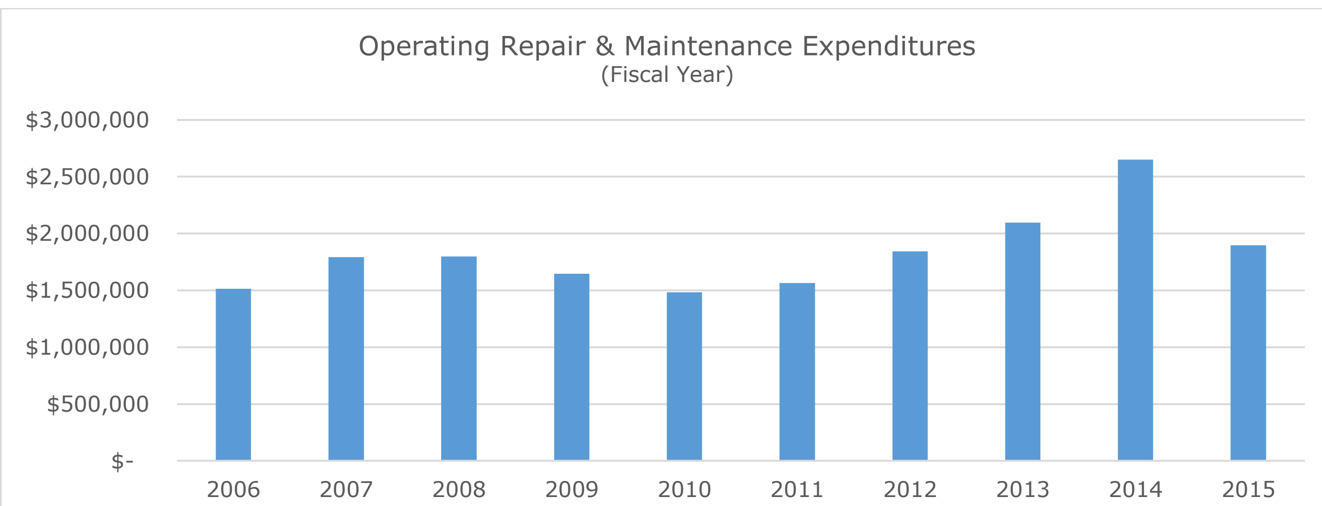


Operations

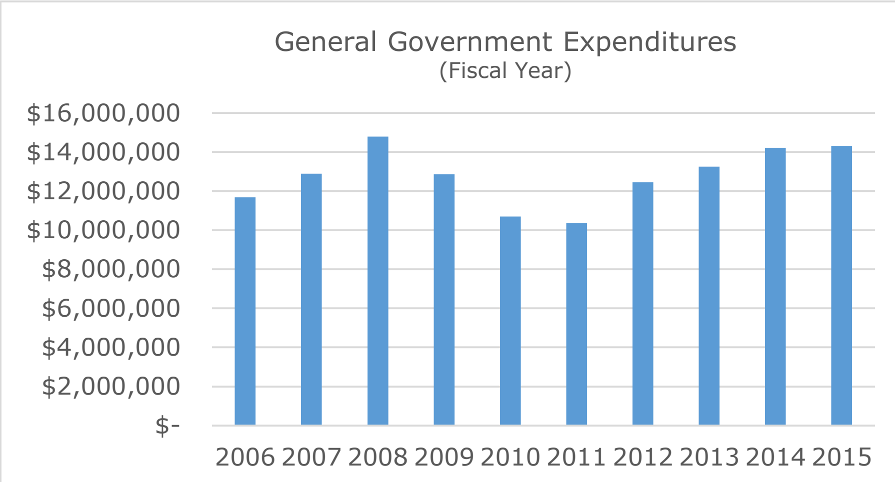
The Operations function has the overall responsibility for the operation, maintenance, and safety of the LVCC and Cashman. Overall Operations costs have remained steady over the last 10 years. There was an increase in FY 2014 due to the financial reporting of certain departments in Operations for that year only.

To help ensure the useful life of the facilities and equipment is fully realized, the LVCVA uses repair and maintenance expenditure accounts. These expenditures represent routine preventative maintenance and repair activities. Investments have stayed relatively consistent year-to-year and average approximately $2MM a year as maintenance contracts and operating repairs are performed to sustain the facilities assets during their general life spans.

These amounts do not include items for large capital purchases, renovations and replacements which are budgeted in the Capital Fund and extend the useful life of facilities.



General Government



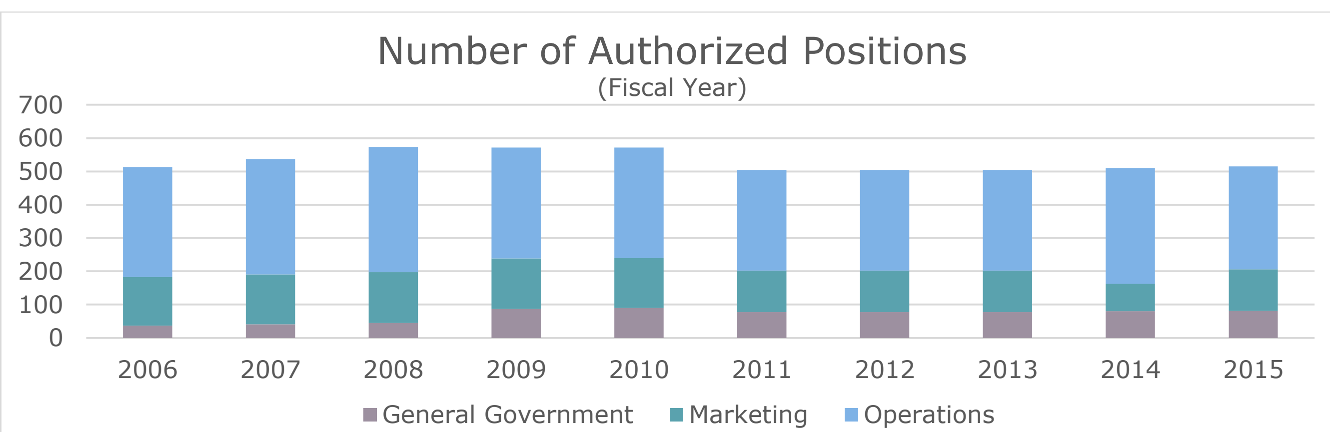
The General Government function includes the Board of Directors, the Executive team including Legal and Internal Audit functions, Human Resources, Public Affairs and Finance departments.

These departments provide organizational guidance, ensure compliance with laws and regulations, and provide support for the rest of the organization. Prior to FY 2008, Finance departments were included in the Operations Division. Overall, General Government expenditures represent approximately 5% of the total operating budget for the LVCVA.

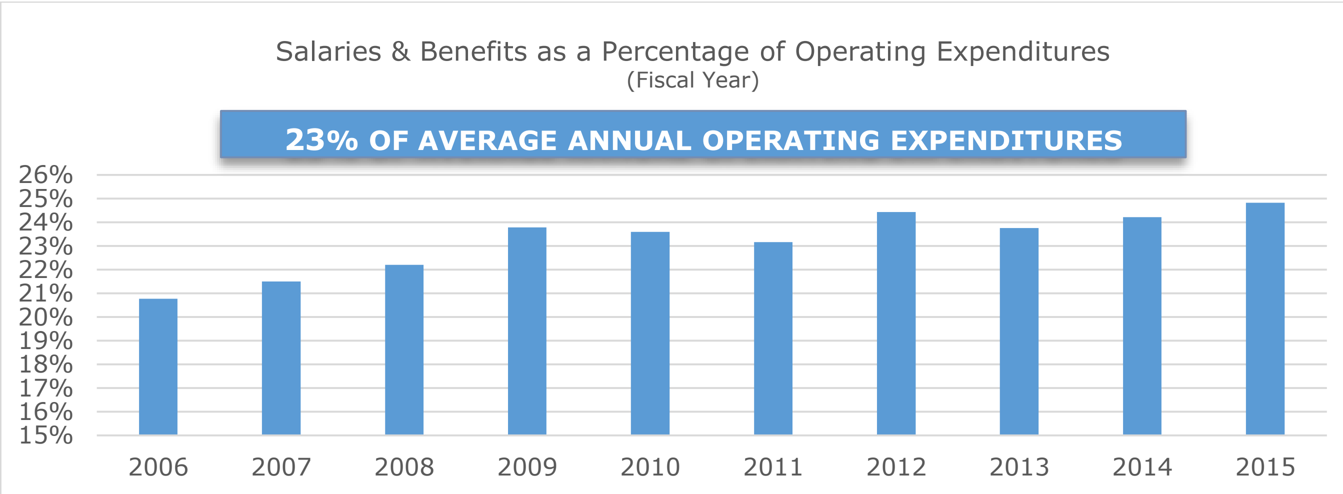
Staffing

OVER THE LAST DECADE, THE LVCVA HAS MAINTAINED CONSISTENT STAFFING LEVELS AVERAGING 531 AUTHORIZED POSITIONS.

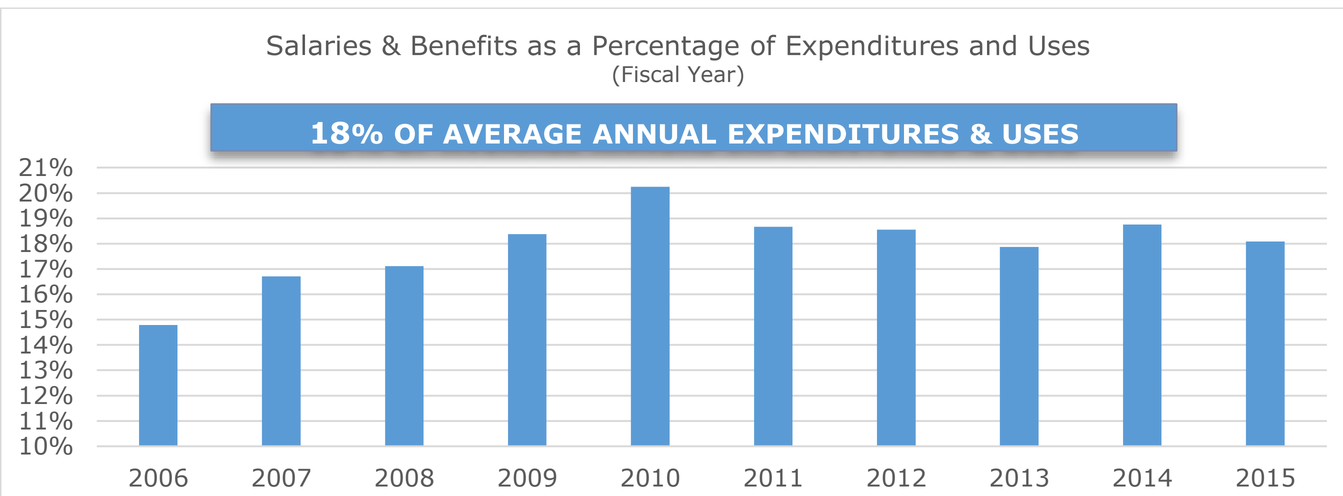
Prior to the recession, LVCVA had 572 authorized positions. In order to balance budgets during the economic downturn, 67 positions were eliminated in July 2010. Since that time, the LVCVA has been very judicious at assessing staffing levels and only increases authorized positions to the most critical areas of need. A total of 10 new positions were authorized through FY 2015, all of which were security personnel. These new positions were deemed necessary to ensure the safety of employees and customers as LVCC footprint expanded through land acquisitions and global security concerns. In FY 2016, the Board approved a total of 14 new positions bringing total authorized positions to 529. Six of these positions were additional supplements to security staffing.



Salaries and benefits costs have averaged approximately 23% of total General Fund operating expenditures over the last 10 fiscal years. Operating expenditures represent the three major divisions in the General Fund: Marketing and Advertising, Operations, and General Government. Operating expenditures do not include resources allocated to debt service, capital programs or OPEB contributions.



When comparing personnel costs to all funding allocations, including debt service, capital programs, and OPEB, salaries and benefits costs have averaged only 18% over the last 10 fiscal years.



Other Uses

Other uses of funds are usages of resources not categorized in government financials as expenditures. Other uses include transfers out which are legally authorized transfers of resources from one fund to another fund. Since almost all revenue is received in the General Fund, transfers must be made to the other funds in order to expend the money for specific uses. The LVCVA currently transfers funds out for the following purposes:

Transfers to Capital – These funds are used for capital projects and to accumulate capital reserves. The use of these funds can be found in more detail in the Facility Capital Investment section.

Transfers to Debt – These funds are used to pay all principal and interest payments on outstanding bonds. The use of these funds can be found in more detail in the Debt Service section.

Transfers to OPEB – These transfers are used to fund a reserve for LVCVA's Other Post-Employment Benefits (OPEB) liability. This liability is related to actuarial determined cost of an implicit subsidiary for the LVCVA providing continued health insurance benefits to eligible employees after retirement. GASB established standards for how governmental employers should account for and report on OPEB through GASB Statement No. 45, Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions. GASB determined that OPEB is part of the compensation that employees earn each year, even though these benefits are not received until after employment has ended. Therefore, the cost of these future benefits are reported as a part of the cost of providing public services today. For additional information of the calculation of this liability, please refer to Note 11 in the LVCVA CAFR.

Credit rating agencies have indicated that addressing this liability to ensure long-term solvency will factor into their assessment of credit ratings for government entities. Accumulating funds specifically restricted for the OPEB liability is a fiscally responsible practice as it shows appropriate planning for future obligations and helps to ensure fiscal integrity of the entity. In September 2011, the Board approved a policy statement addressing OPEB and establishing a formal plan of action to fund the growing liability. The statement directed the creation of an internal service fund to account for cash held in reserve to offset the liability for post-employment benefits. It also established a target to fully fund the reserve deficit within a 10-year timeframe, beginning in FY 2013. After the initial deficit is funded, additional yearly transfers are anticipated to reduce when the contribution level is re-set to projected maintenance levels.

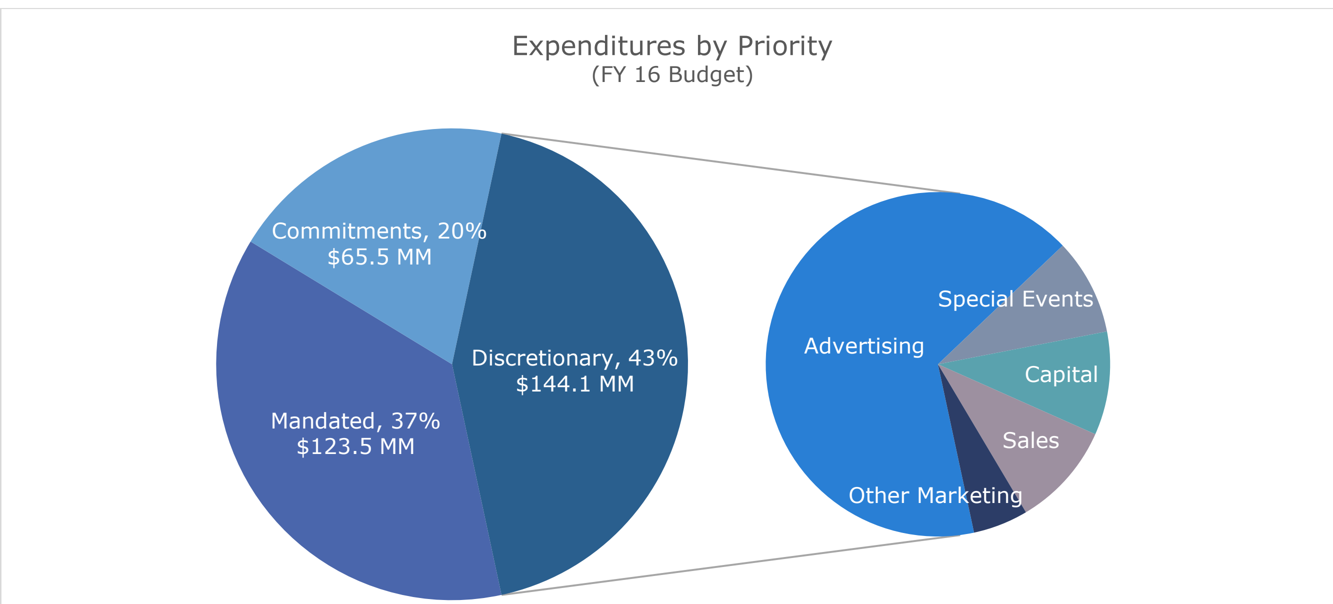
Allocation of Resources by Priority

Another way to analyze a government budget is by determining funding priorities and allocating resources to those needs. The chart below shows the FY 2016 budgeted allocation of resources by priority which first identifies mandated restrictions, prioritized spending commitments, and then discretionary funds.

'Mandated' expenditures include statutory and bond covenant obligations. These include payments for outstanding debt issuances and costs to operate and maintain the LVCC facility (including staffing). This category also includes remittance of the 10% collection allocation to the local jurisdictions, and the minimum 4% fund balance as required by NRS. Approximately 37% of total LVCVA resources are allocated to 'mandated' use annually.

'Commitments' include staffing requirements for the General Government and Marketing divisions, operating costs of the Cashman facility pursuant to the deed assignment, the Board of Directors contingency account (board restricted for unforeseen disasters and extraordinary circumstances) and board-directed contributions to other post-employment benefits liability. These amounts total approximately 20% of available resources.

The remaining amounts are 'discretionary' and reflect available funding for programs and initiatives that directly fulfill the LVCVA's mission to drive visitation under statutory directive. Less than half (43%) of the LVCVA's resources are truly 'discretionary' and available for prioritization or reprogramming each budget cycle. Of the discretionary resources, 75% are allocated to advertising and special events. Fifteen percent are used for domestic and international marketing programs and other marketing and sales initiatives. 10% of discretionary funds are allocated to facility capital investments.

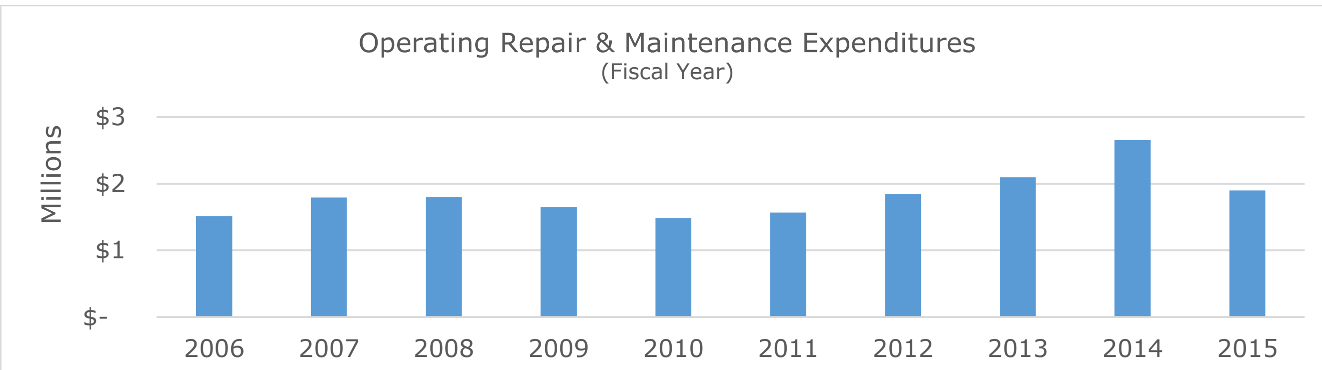


FACILITY CAPITAL INVESTMENT

The operation of the convention center is a critical component of the LVCVA's core mission to drive visitation. Tradeshow, convention, and meetings business have proven highly successful in filling rooms during midweek and slow leisure periods. As demonstrated in the LVCCD Strategic Master Plan, investment in the convention facility allows the LVCVA to protect and grow existing shows, as well as attract additional shows to the destination.

Capital investments in the LVCC and Cashman are accomplished through two funding components.

First, as demonstrated in the Operations section of this document, the annual budget process allocates routine repair and maintenance (R&M) funds to the appropriate division through General Fund accounts. These funds are used to maintain the original useful life of the facilities and equipment; they are not intended to renovate or expand the facility. Investments in R&M have averaged approximately $2MM per year over the last decade.



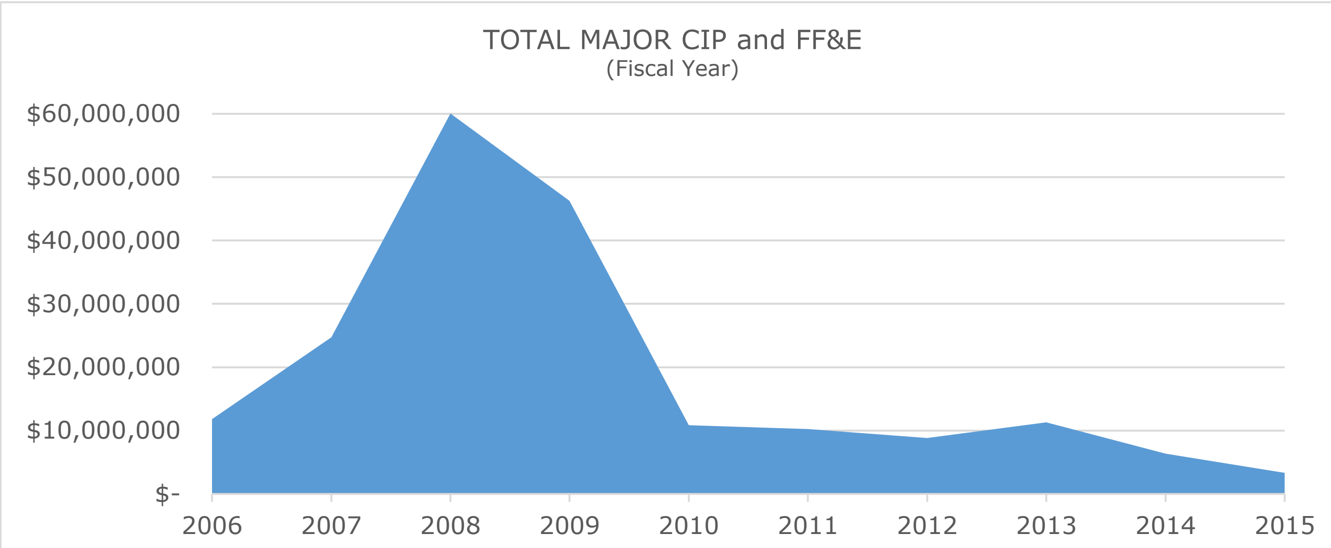
Second, the LVCVA uses a separate set of funds (Capital Fund) to account for the acquisition of capital assets and capital improvement projects.

Capital assets generally include furniture, fixtures, and equipment (FF&E); for example, tables, seating, forklifts, security vehicles, generators and other similar items. These items are funded through cash transfers from the General Fund.

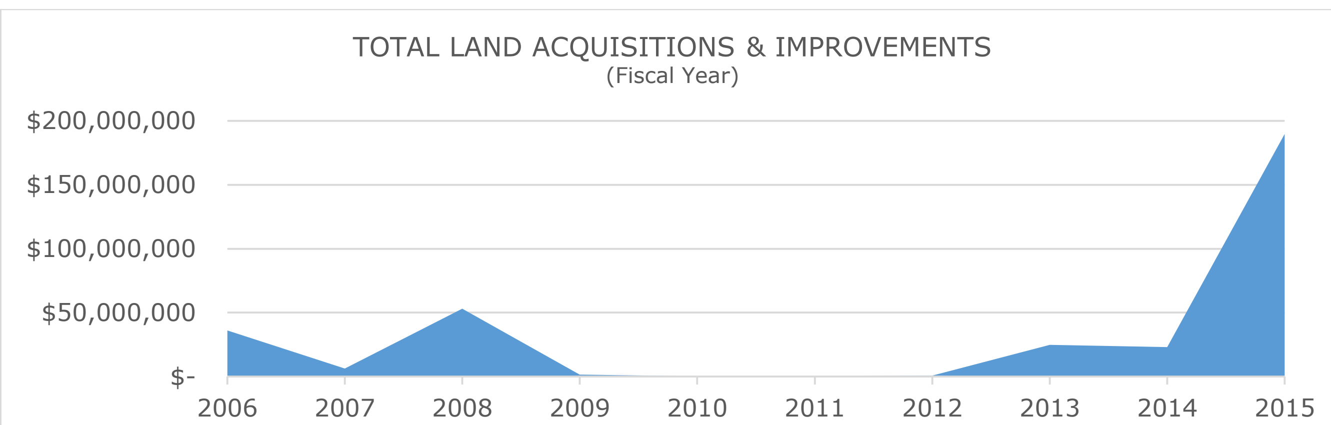
Capital improvement projects (CIP) are major and infrequent expenditures beyond routine R&M. Capital projects tend to be large in size and cost, sometimes take more than a year to complete, and have a long-term usefulness extending well beyond a single budget year. CIP examples include such things as new facility construction, major building rehabilitation, purchase of new seating or lighting, land acquisition, and parking lot repairs.

Over the last decade, over $529MM has been invested in CIP, FF&E, and land acquisition. The majority of the CIP expenditures occurred between FY 2006 and FY 2010, reflecting early phases of a previous master plan for the LVCC. The plan included significant facility renovation, upgrades, and the expansion of meeting space, among other facility enhancements. Several pre-construction programs were underway when the recession began impacting the local economy in 2008. Because the construction program was phased, the LVCVA was able to suspend future phases of the enhancement plan, while completing projects that were already underway. The completed projects between FY 2006 and FY 2010 included underground utility relocations, construction of the Metro Convention Center Area

Command, Data Command Center and Central Hall restroom renovations, among other programs. Many of these projects are beneficial to the current LVCCD expansion and renovation program as they represent critical projects that will not have to be included in the budget for LVCCD Phases Two and Three.



Major CIP and FF&E investments over the last 10 years total nearly $200MM. In addition to the previous master plan projects discussed, investments from FY 2011 through FY 2015 include exterior painting of the LVCC, interior carpet replacement in LVCC and Cashman, halide fixtures and lamp replacements, fire sprinkler upgrades, NV Energy backup feeder lines, central plant improvements and chillers.



The LVCVA has demonstrated a plan to invest in its future by securing additional land and improving existing land to meet client needs. Over the last 10 years, capital funds have been allocated to re-paving, sealing and improving existing land parcels and parking lots to better service client needs. In addition, incremental land acquisitions have expanded the LVCC campus. NRS 244A.619 gives the LVCVA the authority to purchase, exchange and sell real property as an adjunct to carrying out its mission. The nature of a tradeshow-focused convention center limits vertical growth. In order to provide the ability to adequately expand exhibit space, land acquisition was necessary due to the full utilization of existing acreage.

The LVCC's geographical urban location, with limited surrounding unimproved land, presented unique challenges. With the Board's direction, the LVCVA developed a formal land acquisition strategy in 2010. Over the last decade, the LVCVA has actively monitored the real-estate market and land surrounding the campus in order to take advantage of contiguous parcel opportunities as they became available. Efforts have been successful and the LVCVA has added over 42 acres of contiguous land to the LVCC campus in the last 10 years. The largest parcel was the purchase of the Rivera in FY 2015, which provided over 26 acres to secure the LVCVA's ability to meet both current and future expansion demands. In total, over $330MM has been allocated to land acquisition and improvements over the last 10 years. The LVCVA does not have current plans to pursue other large parcels in the near future. Additional small parcels contingent to the LVCC campus may be considered on a case by case basis, if they complement future expansion plans, are available at advantageous market prices, and if funding is available without compromising other CIP or operating programs.

Capital Fund resources are limited to:

- Monies transferred from the General Fund: During the annual budget process, funding is evaluated for replacement of existing assets that have failed or become obsolete or new acquisitions that will enhance and improve the efficiency and/or effectiveness of the LVCVA's operations. Funding is also considered for capital improvement programs that are appropriate to fund through cash flow, in lieu of long-term borrowing. Some requests are deferred to subsequent years for future consideration based on limited funding availability, especially during periods of economic downturns that affect LVCVA revenue streams.
- Proceeds from borrowings: Large, multi-year, high-cost capital projects are often funded through debt programs. These instruments are discussed in more detail in the Financing Environment and Available Instruments section of this document. However, many factors are considered prior to using debt to fund CIP. Most importantly, borrowing decisions are driven by an affordability analysis that projects the share of the LVCVA's budget that will be devoted to pay principal and interest obligations over the debt horizon.
- Interest earnings: Interest earned on unexpended capital funds is available to be programmed for capital needs. Interest rates over the most recent period have been at historical lows and any interest earnings have been negligible in terms of funding major capital programs. Although rates may rise in the future, the LVCVA does not carry large unexpended balances that would generate substantial cash flow. Capital funds are budgeted based on highest priority and best use each budget cycle.
- Unexpended fund balances: These funds roll each fiscal year through ending fund balance. They are then re-programmed into capital programs with the next budget cycle. There are no statutory or regulatory requirements to maintain a specific excess of assets over liabilities in the Capital Fund.

Factors that can influence an increase or decrease in the capital expenditure accounts are:

- Older parts of the facility are updated and modernized as appropriate to maintain operational soundness as funding is available. Land acquisition costs affect year-over-year comparability.
- Due to the number of shows and events using the exhibit halls and meeting rooms, projects must wait for an open time frame before proceeding.

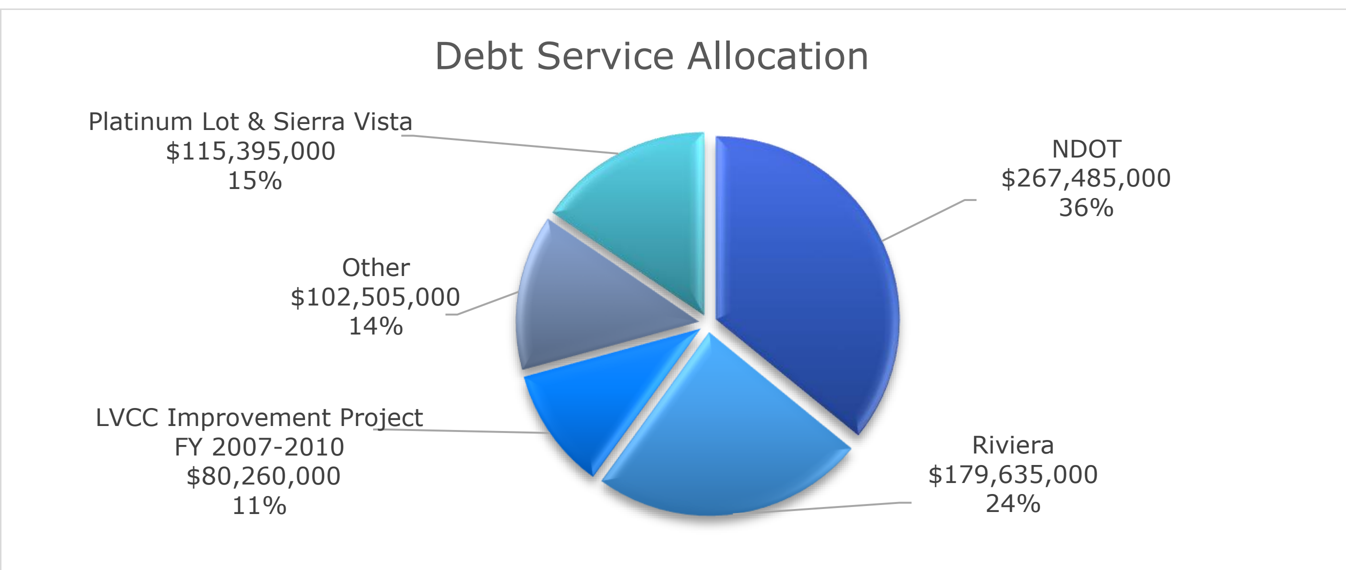
- National and international events, such as economic downturns, can determine if capital improvement projects will be deferred until future years.
- The LVCVA uses the construction work–in-progress account to fund various on-site improvements that have multi-year completion horizons.

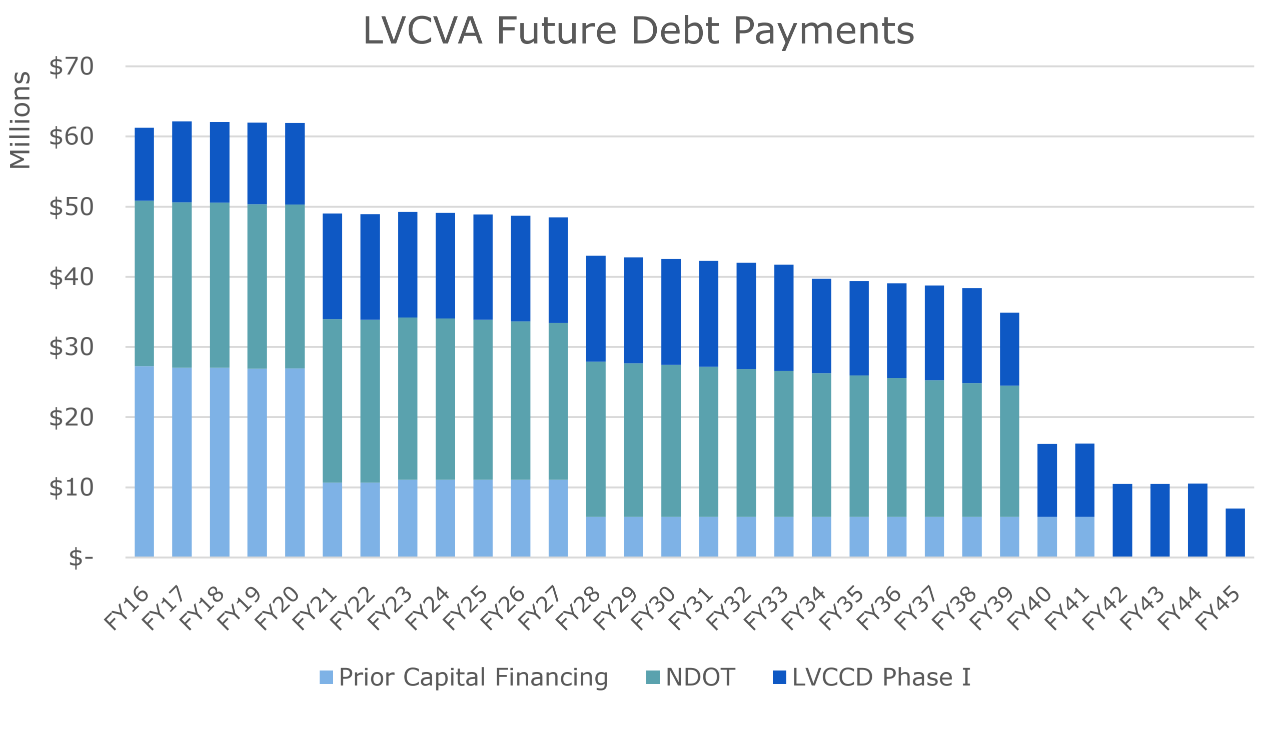
As of June 30, 2015, the LVCVA held net assets totaling $661.2MM. The amount of outstanding debt associated with those assets is $498.6MM. For every $1 of debt the LVCVA has, it has net assets worth $1.33. Attachments to this document include a 10 Year Capital Investment in Facilities summary, detailing some of the major capital improvements projects over the period.

DEBT SERVICE

The LVCVA's current outstanding debt balance is $745,280,000.

- $267.5MM of the outstanding debt is related to the LVCVA's obligation to issue bonds on behalf of NDOT resort corridor infrastructure improvements, originating from 2007 legislative bill AB 595. These debt obligations extend through FY 2039.
- $179.6MM of the outstanding debt is related to Phase One of the LVCCD and the purchase of the Riviera Hotel & Casino site.
- $115.4MM of the outstanding debt is related to land acquisitions of the Platinum Lot and Sierra Vista Drive which added approximately 37 adjacent acres between 1996 and 2013 to the existing footprint.
- $102.5MM of the outstanding debt is related to the remaining balances on debt issued over the past years for renovation and expansions, including the South Hall and Gold Lot (Landmark property which is approximately 21 acres).
- $80.3MM of the outstanding debt is the remaining amount due on projects related to the LVCC Improvement Project FY 2007-2010 started prior to the recession, including building construction for Metro Police Department Convention Center Area Command, land for the Clark County Fire Department Station, underground utilities and the Data Command Center.





Note: Amounts above do not include LVCVA's line-of-credit which currently has $70.1 MM outstanding.

The above chart illustrates LVCVA's fixed rate long-term debt service obligations. The largest component of current and future debt supports tourism corridor transportation infrastructure projects for NDOT. The NDOT obligations extend through FY 2039. Other debt has been utilized to fund previous capital improvement projects and land acquisitions, including the entirety of LVCCD Phase One.

The chart demonstrates there is no significant reduction in debt service over the next several fiscal years. Accordingly, the LVCVA has limited additional capacity under current operations to complete additional debt financed capital projects, most importantly LVCCD Phases Two and Three. The moderate remaining additional capacity under the current structure is reflected in Pro Forma Scenario A later in this document and discussed in the Debt Capacity section.

FINANCING ENVIRONMENT AND AVAILABLE INSTRUMENTS

Ongoing operations and routine capital repairs are funded with available operating revenues. Large capital projects and property acquisitions are typically funded through debt financing. As a government agency, the LVCVA's debt financing opportunities are more narrow than the private sector. LVCVA debt is considered Municipal debt (Muni) and is limited to financing vehicles allowed by Nevada legislation.

Muni financing in Nevada is generally achieved through long-term bonds. Bonds can be sold at a public sale or placed directly with a bank or financial institution. Bonds can also be sold as taxable or tax-exempt. Structuring options are based on affordability, the useful life of the asset financed, and project cash flow requirements.

The LVCVA has the option of issuing two types of backed bonds. Bonds issued solely by LVCVA are secured by a pledge of net revenues (detailed discussion below); these bonds (Revenue Bonds) also require a reserve fund as additional security. A reserve fund is generally one year's debt service which is set aside and can only be used for the payment of debt service on the bonds it secures. The deposit to the reserve fund can come from existing resources or bond proceeds. In certain market conditions, a surety bond may be purchased in lieu of a cash reserve.

LVCVA also has the option of issuing bonds with a general obligation pledge of Clark County as additional security (GO/Revenue Bonds). State statute allows for the issuance of general obligation bonds but limits the amount of GO/Revenue Bonds LVCVA can have outstanding to 5% of the County's assessed value.

> ***NRS 244A.653*** *A county whose population is 700,000 or more shall not become indebted for those county recreational purposes under the provisions of NRS 244A.597 to 244A.655, inclusive, by the issuance of general obligation bonds and other general obligation securities, other than any notes or warrants maturing within 1 year from the respective dates of their issuance, but excluding any outstanding revenue bonds, special assessment bonds or other special obligation securities, and excluding any outstanding general obligation notes and warrants, exceeding 5 percent of the total last assessed valuation of the taxable property in the county.*

In order to issue GO/Revenue Bonds, LVCVA must receive the approval of the Debt Management Commission and the County Commission. In the event LVCVA resources are insufficient to repay these bonds, property taxes would be levied to repay the bonds. Although the LVCVA has utilized the pledge since the 1960's, the property tax pledge has never been called upon. Prudent budgeting, long term affordability planning, and a high debt coverage ratio have ensured the LVCVA's revenues sufficiently cover all debt obligations. Even during the most recent recession, when room tax declined by more than 33%, the LVCVA's ability to meet all debt obligations was never compromised.

74% ($552.4MM) of the LVCVA's current outstanding debt are general obligation bonds and 26% ($192.9MM) are revenue bonds.

LVCVA Bonds are rated by Moody's and Standard & Poor's against a municipal bond rating scale, which is quite distinct from corporate rating practices. Compared to corporate rating systems, ratings for municipal obligations place considerable weight on an overall assessment of the organization's financial position and management oversight, not just the projected revenues or debt service requirements underlying the specific debt purpose. Municipal ratings are considered within a very small band of creditworthiness because municipal investors are highly risk averse. These investors are primarily concerned about the safety and liquidity of their investment, not the yield. The tax-exempt municipal market is looking for a very low risk component of their portfolio. They seek a guaranteed return OF their investment as more critical than a return ON their investment. In exchange for that, investors are willing to accept a lower rate.

RECENT CREDIT RATINGS	**Moody's**	**Standard & Poor's**
REVENUE: *LVCVA Pledged Revenue Bonds*	A1	A+
GENERAL OBLIGATION: *LVCVA Pledged Revenues backed by Clark County Ad Valorem*	Aa1	AA

LVCVA bonds are governed by Nevada statutes, the Security and Exchange Commission (SEC), Municipal Securities Rulemaking Board, and the Internal Revenue Service (IRS). Those agencies impose regulatory constraints including spend-down timelines, use restrictions and arbitrage restrictions. There must be a reasonable expectation that the proceeds will be spent within three years when tax exempt bonds are issued.

LVCVA long-term debt obligations are also subject to restrictive debt covenants, including certain revenue levels and revenue/expense ratios. Debt coverage is the ratio of pledged revenues to related debt service for a given year. Debt covenants require 1.5 times coverage ratio and LVCVA debt policy, which is reviewed annually, targets a minimum coverage ratio of 3.0 due to the current single-source revenue structure. Coverage may be re-assessed if there is a significant change in revenue structure, sources, and diversification.

Bond covenants define Pledged Revenues as Gross Revenues less Operating and Maintenance (O&M) Expenses.

- *Gross Revenues are the total of Facilities Revenues plus Room Tax & Gaming Fees plus all investment income from any fund or account established under the Bond resolution less collections allocations at 10%.*
- *O & M Expenses are expenses of the LVCVA, paid or accrued, of operating, maintaining and repairing the facilities (i.e. all operating expenses EXCLUDING the cost associated with the sales, marketing and promotion efforts of Las Vegas & surrounding areas).*

Bonds are generally issued with the ability for redemption prior to maturity. As market conditions allow, LVCVA takes advantage of such opportunities to refinance outstanding bonds for debt service savings. In the last 10 years, LVCVA has achieved present value savings of approximately $13.2MM by refunding bonds.

The LVCVA will continue evaluating potential public-private partnerships (P3) interest from the private sector and its appropriateness for limited components of the LVCCD, while carefully measuring the significant financial and legal risks associated with a long -term partnership with a private partner. A P3 is generally any arrangement in which partners from both sectors share the risks and rewards of delivering and/or operating the asset over an extended time period. P3's are not nearly as well developed or standardized as the municipal bond market and at this point most studies suggest P3 alternatives are good *complements* to tax-exempt financing, but not good alternatives. Most importantly, while a P3 may escalate the timeline to finalize a capital program, it does not reduce funding requirements and, in fact, may escalate them. Accordingly, the LVCVA will undertake significant risk assessment procedures and engage qualified legal representation to provide counsel on all proposed P3 arrangements and the underlying terms and conditions.

The LVCVA continuously investigates options that will provide the best overall value in funding capital projects, but innovative financing techniques are unlikely to provide the additional capacity required to finance Phases Two and Three of the LVCCD under existing resources. As the financing plan moves forward, LVCVA will continue to review alternative financing structures and will incorporate such structures into its overall financing plan if determined to be financially and operationally appropriate. In prior years, LVCVA took advantage of the Build America Bond program due to the financial advantages it provided. P3's, grants, EB5 and any other options will be evaluated based on legality and financial risk.

DEBT CAPACITY

The LVCVA began re-assessing its debt capacity to finance a significant capital improvement program once recessionary declines abated and economic conditions stabilized. Finance staff evaluated projected future available resources in 2012. Estimates indicated capacity to fund a capital program of up to $500MM could be supported in increments over the ensuing 10-year period.

SPF conducted a debt capacity analysis for the LVCVA in late 2012. The results of their analysis reflected a capacity of just over $520MM, given issuance in increments over the following 10-year timeframe (FY 2013 – FY 2023).

JNA first evaluated the LVCVA's debt capacity in 2013, the results of which were comparable to previous internal and external analyses.

In 2014, HVS conducted a Financial Strategy Study, a component of which included an evaluation of LVCVA debt capacity. Once again, the results of that independent assessment was comparable to the previous independent analyses by staff, SPF, and JNA.

JNA has continuously worked with staff to update those projections as economic conditions change and actual financial results are reported.

In alignment with the capacity assessments validated by multiple experts, the LVCVA issued over $360MM between 2012 and 2015 to accomplish Phase One of the LVCCD. Funds have been allocated to land acquisition, demolition, and site preparation. These financing programs are supported by existing revenue streams and do not require new sources of funding.

CURRENT ASSESSMENT OF FUTURE DEBT CAPACITY

Based on the most recent update to the LVCCD pro forma, the LVCVA has minimal near-term capacity to support Phases Two and Three of the LVCCD.

Applying customary conservative bonding assumptions, current resources may support an additional bonding capacity of approximately $100MM by FY 2019/20.

An additional bonding capacity of up to $200MM may be supported by FY 2023/24, due to the maturation and retirement of existing bond principal.

Cumulatively, the LVCVA's capacity to issue new debt over the next five to ten years is approximately $300MM, the majority of which is not accessible until after FY 2019/2020.

FINANCIAL ANALYSIS SUMMARY - FUNDING GAP

As demonstrated in the pro forma analysis, new revenue streams will be required to support the capital financing program for LVCCD Phases Two and Three.

Initial annual funding gap is estimated at $80MM.

Actual new revenues may require pro forma adjustments for growth projections based on the nature of the revenues and demonstrated trends, if available.

ADDITIONAL FINANCIAL INFORMATION AVAILABLE

In order to provide up-to-date relevant financial information to stakeholders and the public at large, the LVCVA has a Funding & Finance page on www.lvcva.com which is updated every few months and provides a variety of financial information for current and past periods. It has proven to be a fitting vehicle to provide interested parties transparent and timely access to LVCVA's financial documents.

Information available on this site includes a summary of economic conditions tracked by the LVCVA's staff and a financial status update highlighting some key financial information that investors and other stakeholders commonly request. A variety of financial documents are also available for immediate viewing including five years of CAFRs and PAFRs. A link to the most recent continuing SEC disclosures is provided. The site also includes the annual budget book for the most recent five years and three years of Budget in Brief documents staff provides to the Board and public when the original LVCVA budget is adopted. The LVCVA also posts the last five quarterly budget and statistical reports presented to the Board of Directors as well as key financial policies, key contract information of finance staff, and other investor information. Please visit http://www.lvcva.com/finance to view any of the materials described.

In addition, all of LVCVA's required bond documentation including issuance documents, trading information, continuing disclosures and rating information can be obtained without charge on Electronic Municipal Market Access (EMMA) website at http://emma.msrb.org/.

PRO FORMA(S)

Pro forma statements have been developed to project future financial results, incorporate anticipated operating impacts of the LVCCD, project capital financing requirements for LVCCD Phases Two and Three, and to estimate the amount of the resources required to support the capital financing program. Long-term projections are highly uncertain and rely on numerous assumptions about economic and fiscal factors. Many different assumptions are possible; thus, these pro formas are not considered a fixed plan for balancing revenues to expenditures in future years.

The pro forma development included analyses of historical trends across varying revenue sources and expenditures, as described in detail in earlier sections of this document. These trends were a part of the basis for developing a series of complex assumptions to project future results.

Because this is a long-range planning document, rather than a budget, some revenue sources were consolidated to simplify the presentation. Complex general ledger accounts and cost centers are also aggregated by core division or functional purpose.

Two individual pro formas were developed to provide management with a planning document to be used for decision-making:

Scenario A: This pro forma presents current business operations and projects the LVCVA's ability to support current debt and operations through 2030. It also demonstrates the capacity of the LVCVA to issue approximately $300MM in new debt over the next five to ten years under the existing revenue structure. Most new debt capacity would not be accessible until after FY 2019/20, as existing bonds mature. Scenario A does not incorporate LVCCD revenues, expenditures or capital financing program.

Scenario B: This pro forma reflects existing operating projections in Scenario A and incorporates the projected LVCCD operating revenues and expenditures generated by the new exhibit hall expansion. It also includes the debt service requirements related to the construction costs of Phase Two and Three. This is essentially the "all-in" pro forma. Scenario B demonstrates that new revenue streams totaling $80MM in the first full year of collection would support the financing program.

The pro forma includes numerical designation of major line items, itemized from 1 to 21. These numbers can be used to cross-reference between the discussions that follow and the pro forma(s).

PRO FORMA ASSUMPTIONS - REVENUES

No other agency is more optimistic about the future growth potential for Las Vegas. We feel it is highly probable Southern Nevada will experience periods of dynamic growth higher than reflected by year in the pro formas. However, that optimism is balanced by the likelihood that some years may be negatively impacted by economic volatility or other disruptions within the travel and tourism sector. Accordingly, the pro formas incorporate conservative but realistic, and historical trend based revenue projections. If projections are too aggressive, under-realized revenues could impact the future ability to meet debt service obligations and to fund core mission to drive visitation through marketing programs.

1. Room tax:
- Scenario A reflects an annual increase of 3% through FY 2030.
- Scenario B reflects an annual average increase of 3% through FY 2023, 4% annual increases from FY 2024 through FY 2027, and 5% increases from FY 2028 through FY 2030.
- The future growth increase in Scenario B is attributable to the expanded facility availability to host new shows, which is anticipated to drive room tax through incremental new visitation and ADR pressure.

2. Gaming fees:
- Scenarios A & B reflect annual average decreases of 1% starting in FY 2018, through FY 2030, due to diminishing trends over the last 10 years.

3. Building Partner Contributions:
- Scenario B reflects two potential non-recurring capital contributions of $10MM each during the construction period of the new expansion. These contributions are further shown as expended for facility investment in the capital section of the pro forma. Contributions provided by building partners will be used for enhancements to the facility related to the provision of services by those providers. For example, a contribution from the food and beverage concessionaire will be specifically targeted for agreed upon enhancements to kitchen facilities and food outlet locations. These revenues do not provide additional debt capacity as they are one-time contributions rather than annual funding streams.

4. New LVCCD Revenue Sources:
- Scenario B reflects projected new annual revenues required to support the LVCCD capital financing program. Assuming new revenue streams become effective January 1, 2017, six months of potential revenue generation would be recorded to FY 2017. The half-year value is projected at $40MM, meaning the first full year of new revenue value is estimated at $80MM. Annual growth is approximately 3% as the actual revenue sources are undetermined; therefore, trend analysis is unavailable.

5. LVCC Facility Use:

- This section reflects projected annual revenues from the various categories of facility use at the LVCC campus, including exhibit halls, meeting rooms, parking, technology commissions, food & beverage commissions, and other smaller categories.
- The LVCC is fundamentally at full utilization, so growth in facility use revenue from new show bookings is negligible without additional space.
- Scenarios A & B reflect the following assumptions:
  - Each fiscal year is affected by the scheduled rotation of several major shows. For example, CONEXPO-CON/AGG is scheduled every three years, usually resulting in a revenue premium during that year. PACK EXPO LAS VEGAS is scheduled every two years, resulting in a slightly smaller premium. Due to the periodic overlap of these two major shows every six years, there is a higher premium in those years. The years with only one, or neither, of these shows reflects a representative decrease in facility use revenue.
  - Scheduled rate increases have been built in over the next two fiscal years – 33 cents per square foot in FY 2016 and 35 cents in FY 2018. The rate increases will not affect multi-year leases that were executed prior to board approval. For that reason, facility use growth as a result of the rate increases is reflected in increments over the course of FY 2016 through FY 2020. Facility use revenue reflects a growth rate of 17% by outlying comparable show years. The rate increases are not reflective of year-over-year growth, but are instead a product of comparing similar show rotation years.

6. LVCCD Expansion Facility Use:

- Scenario B reflects incremental new facility use revenues, tied to the availability of new space from the LVCCD expansion.
- No additional revenues are anticipated during the construction phase of the expansion.
- Once the expansion is open, the new facility will provide swing space to support existing shows during renovation on the North, South and Central Halls. FY 2020 through FY 2023 reflects a 5% annual increase in total facility use, from incremental additional utilization of available square footage, as compared to Scenario A.
- Facility use revenue from the expanded facility grows incrementally from 16% in FY 2024 to approximately 32% by FY 2030, reflecting a full utilization of the expanded facility, as compared to Scenario A.

7. Cashman Facility Use:

- Scenarios A & B reflect annual revenue growth of 2%.

8. Other Revenues:

- Scenarios A & B reflect annual revenue growth of 2%.

PRO FORMA ASSUMPTIONS - EXPENDITURES & USES

In Scenario B, expenditure growth for operations and support functions is aligned with the additional facility square footage created in the LVCCD expansion. The expansion is anticipated to increase leasable square footage by approximately 30%, which is the approximate direct operating expenditure growth. Division expenses include salary and benefit costs and operating supply and service accounts.

9. General Government Division:
- Scenario A reflects annual average increases of 4% through FY 2030.
- Scenarios B reflects annual average increases of approximately 5% due to administrative and operational costs related to the facility expansion.
- General Government includes cost centers for the Board of Directors, Executive, Finance, Human Resources, Public Affairs, Legal and Internal Audit functions.

10. Marketing Division:
- Scenario A reflects annual average increases of 3% through FY 2030.
- Scenarios B reflects annual average increases of 4% due to Convention Sales and Services support costs related to the facility expansion.
- Marketing includes cost centers for Sales, Research, Digital Marketing, Brand Strategy, Strategic Planning, Convention Services, and Visitor Information Centers.

11. Advertising:
- Scenarios A & B reflect annual average increases of 2% through FY 2030.
- LVCVA's philosophy is that room tax revenue is derived from marketing and advertising the destination. Therefore, it is imperative to reinvest a portion of room tax revenues back into programs to drive additional visitation.
- Advertising expenditures grow throughout the period and average 36% of room tax collections through FY 2030.

12. Special Events (LVE and LVCVA):
- Scenarios A & B reflect annual average increases of 1% through FY 2030.
- Funding for special events grew from $5MM in FY 2009 to $10MM in FY 2016, primarily related to funding for a new 10-year agreement with National Finals Rodeo, as well as the Professional Rodeo Cowboys Association and sponsorships for evolving music festivals.
- The recent growth was exceptional and is not expected to be the trend forward.
- Total expenditures for Special Events is reflected to grow each year until FY 2021 where it stabilizes at $15MM annually.

13. LVCC Operations:
- Scenario A reflects annual average increases of almost 4% through FY 2030.
- Scenario B increases are staggered in over the pro forma horizon, in correlation to anticipated new leasable space coming online. By FY 2026, Operations are projected to increase 30% over current levels, in alignment with the increase in facility space.
- LVCC Operations includes all facility operating costs including personnel, utilities, supplies and services, and R&M activities.

14. Cashman Operations:
- Scenarios A & B reflect annual average increases of 3% through FY 2030.
- No additional impact is anticipated from the LVCCD expansion.

15. Collection Allocation:
- Collection Allocation is directly tied a 10% formula applied to room tax and gaming fee receipts; therefore, collection allocation expenditures increase over the pro forma horizon in alignment with those revenues streams in each scenario.

16. Capital Fund – Transfers for routine capital, FF&E:
- These amounts reflect annual transfers to the Capital Fund, which are used for facility capital improvements beyond normal R&M, major CIP programs, and the routine replacement and additions of furniture, fixtures, equipment, and vehicles.
- Annual transfers may not represent actual expenditures each fiscal year. Unspent monies in the Capital Fund are held in reserve for future year capital programs.
- Scenario A reflects transfers of $2.8MM in FY 2017 growing to $15MM by FY 2020. Transfers increase to $20MM annually from FY 2021 through FY 2030.
- Scenario B reflects transfers increasing to $30MM annually by FY 2026, reflective of the escalated requirements to maintain new facility space as a result of the expansion. In FY 2017 – FY 2023 capital transfers are reduced as compared to Scenario A, as the new facility is being built and renovation of the existing facility would occur. This would reduce the need for regular capital improvements funding during these years.

17. Capital Fund – Transfers for LVCCD Facility Reserves and Reinvestment:
- Scenario A does not reflect additional facility investment or reserve accumulation.
- Scenario B reflects the investment of $20MM of non-recurring building partner contributions to enhance ancillary client support services. This is discussed in more detail in the Pro Forma Assumptions - Revenue section.
- Scenario B also reflects allocations of supplemental funds post-construction, starting in FY 2023, to ensure the expanded facility is maintained at appropriate standards. These amounts represent the projected difference between "new" revenue authorized to support the LVCCD and the annual debt service for Phases Two and Three. The funds will be allocated for reinvestment in the facility for future upgrades, modernization and improvements based on future client needs.
- Scenario B reflects that ongoing business operations, inclusive of the expansion, can be supported without reliance on new revenue streams.

18. OPEB Fund Transfers:
- OPEB transfers are in compliance with GASB guidance to set aside restricted reserves for the LVCVA's future OPEB liability.
- Scenarios A & B reflect moderate annual increases to $6.5MM per year until FY 2022. These years include "catch-up" contributions for prior years to address the OPEB liability, as directed by the LVCVA Board of Directors.
- Annual contributions reduce to $3.5MM in FY 2023, when the contribution level is re-set to projected maintenance levels. Moderate annual growth of 2% is reflected from FY 2024 through FY 2030.

19. Transfers Out for Debt and PayGo Capital Financing:

- Scenario A reflects current debt service obligations through FY 2030. The debt service allocations are broken out by underlying purposes (NDOT, LVCC, LVCCD Phase One, etc.). As depicted in the pro forma, the first modest decline in existing debt occurs in FY 2020, followed by a second moderate decline in FY 2027.
- Scenario A also layers on potential additional debt capacity in future years, as affordable and while maintaining appropriate fund balance levels and debt coverage rates.
- Scenario B incorporates projected financing requirements to support LVCCD Phases Two and Three. Construction funding will be accomplished through a combination of PayGo and debt programs. Underlying future debt assumes:
    - Multiple series of municipal bond issuances will be aligned with the construction programs, phased from 2017 through 2021.
    - Future market rates are conservatively forecast between 5% and 5.25%. Although municipal bond rates are currently trending at less than 4%, the multi-year horizon for the construction program requires an expectation that rates will increase over time.
    - Short term borrowings may be utilized for flexible access to funds, and to bridge the gap between construction funding drawdowns and the periodic issuance of long term fixed bonds.

20. Board Reserve for Contingency:

- Scenarios A & B reflect a fixed amount of $500,000 annually through FY 2030.
- The board contingency is adopted at the beginning of each budget cycle and is restricted for the discretionary use of the Board of Directors.
- Budget amounts are transferred to an appropriate general ledger account based on board directed use of the funds, if necessary.

21. Ending Fund Balance:

- Based on Nevada Administrative Code 354.650-660, a minimum unreserved fund balance of 4.0% of budgeted General Fund operating expenditures must be maintained.
- The LVCVA fiscal practice is to target a budgeted ending fund balance up to 16.0% to prepare for potential variances in economic conditions without detriment to operations.
- Scenario A reflects an average ending fund balance of 11% from FY 2017 through FY 2030, as a result of allocating expected fund balance reserves to new debt capacity.
- Scenario B reflects an average ending fund balance of 15% from FY 2017 through FY 2030, subsequent to building on the entirety of the LVCCD capital financing program revenues and costs. Ending fund balance increases to just over 20% by FY 2028; however, that is a very long time horizon during which unseen economic events or operating conditions will likely occur. Therefore, actual realization of this balance is highly dependent on outside influences. This projected balance provides protection to investors and the public that all LVCVA commitments will be fulfilled as well as affords future generations the ability to adjust to current market conditions by directing unrestricted resources.

LAS VEGAS CONVENTION CENTER DISTRICT

FINANCIAL PLANNING DOCUMENT

JANUARY 2016

Scenario A: Existing Operations "Plus" Projection of LVCVA Additional Debt Capacity
Excludes LVCCD 'new' Revenue, Expenditures, & Capital Funding Program
(FY 2016 - FY 2030)

SCENARIO A: EXISTING OPERATIONS "PLUS" PROJECTION OF LVCVA ADDITIONAL DEBT CAPACITY

LVCCD CONSTRUCTION PERIOD - EXPANSION AND RENOVATION

#		FY 2015 ACTUAL	REVISED FY 2016 BUDGET	FY 2017 PROJECTED	FY 2018 PROJECTED	FY 2019 PROJECTED	FY 2020 PROJECTED	FY 2021 PROJECTED	FY 2022 PROJECTED	FY 2023 PROJECTED	FY 2024 PROJECTED	FY 2025 PROJECTED	FY 2026 PROJECTED	FY 2027 PROJECTED	FY 2028 PROJECTED	FY 2029 PROJECTED	FY 2030 PROJECTED
	REVENUES & SOURCES:																
	TAXES & FEES																
1	ROOM TAX	239,318,802	245,100,000	252,453,000	260,026,590	267,827,388	275,862,209	284,138,076	292,662,218	301,442,084	310,485,347	319,799,907	329,393,905	339,275,722	349,453,993	359,937,613	370,735,742
2	GAMING FEES	1,726,843	1,750,000	1,750,000	1,732,500	1,715,175	1,698,023	1,681,043	1,664,233	1,647,590	1,631,114	1,614,803	1,614,803	1,614,803	1,614,803	1,614,803	1,614,803
3	BUILDING PARTNER CAPITAL CONTRIBUTION	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
4	NEW LVCCD REVENUE SOURCES	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	TOTAL TAXES & FEES	241,045,645	246,850,000	254,203,000	261,759,090	269,542,563	277,560,233	285,819,119	294,326,450	303,089,675	312,116,461	321,414,711	331,008,708	340,890,525	351,068,797	361,552,416	372,350,545
	USE OF FACILITIES																
5	CONVENTION CENTER (LVCC):																
	EXHIBIT HALLS, MEETING ROOMS, PARKING, TECHNOLOGY	40,605,461	41,027,000	44,660,000	42,350,000	42,966,000	51,744,000	44,968,000	44,352,000	49,126,000	46,046,000	43,736,000	54,824,000	43,736,000	46,046,000	51,436,000	47,427,000
	CATERING/CONCESSIONS/OTHER	6,488,684	6,495,000	7,540,000	7,150,000	7,254,000	8,736,000	7,592,000	7,488,000	8,294,000	7,774,000	7,384,000	9,256,000	7,384,000	7,774,000	8,684,000	8,006,250
6	LVCCD EXPANSION:																
	EXHIBIT HALLS, MEETING ROOMS, PARKING, TECHNOLOGY	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	CATERING/CONCESSIONS/OTHER	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
7	CASHMAN CENTER:																
	EXHIBIT HALLS, MEETING ROOMS, PARKING, TECHNOLOGY	1,815,341	1,651,000	1,684,020	1,717,700	1,752,054	1,787,095	1,822,837	1,859,294	1,896,480	1,934,410	1,973,098	2,012,560	2,052,811	2,093,867	2,135,745	2,178,459
	CATERING/CONCESSIONS/OTHER	92,283	85,000	86,700	88,434	90,203	92,007	93,847	95,724	97,638	99,591	101,583	103,615	105,687	107,801	109,957	112,156
	TOTAL USE OF FACILITIES	49,001,769	49,258,000	53,970,720	51,306,134	52,062,257	62,359,102	54,476,684	53,795,018	59,414,118	55,854,001	53,194,681	66,196,174	53,278,498	56,021,668	62,365,701	57,723,865
	OTHER:																
8	TOTAL OTHER	3,328,707	3,346,400	3,410,146	3,475,167	3,541,488	3,609,136	3,678,137	3,748,517	3,820,306	3,893,530	3,968,219	4,044,401	4,122,107	4,201,367	4,282,212	4,364,675
	TOTAL REVENUES & SOURCES	**293,376,121**	**299,454,400**	**311,583,866**	**316,540,391**	**325,146,308**	**343,528,471**	**343,973,940**	**351,869,986**	**366,324,099**	**371,863,992**	**378,577,610**	**401,249,283**	**398,291,130**	**411,291,831**	**428,200,330**	**434,439,085**
	EXPENDITURES:																
9	GENERAL GOVERNMENT	14,322,106	17,930,500	19,534,915	20,131,627	20,746,668	21,380,603	22,034,018	22,707,515	23,401,716	24,117,262	24,854,814	25,615,055	26,398,686	27,206,433	28,039,045	28,897,291
10	MARKETING	34,725,318	37,650,800	38,780,324	39,943,734	41,142,046	42,376,307	43,647,596	44,957,024	46,305,735	47,694,907	49,125,754	50,599,527	52,117,513	53,681,038	55,291,469	56,950,213
11	ADVERTISING	93,148,972	95,500,000	97,000,000	99,000,000	101,000,000	103,500,000	106,000,000	108,500,000	111,000,000	113,500,000	116,000,000	119,000,000	122,000,000	125,000,000	128,000,000	131,000,000
12	SPECIAL EVENTS	8,765,599	13,035,600	13,426,668	13,829,468	14,244,352	14,671,683	15,000,000	15,000,000	15,000,000	15,000,000	15,000,000	15,000,000	15,000,000	15,000,000	15,000,000	15,000,000
13	LVCC OPERATIONS	35,508,579	39,100,860	41,249,886	42,487,382	43,762,004	45,074,864	46,427,110	47,819,923	49,254,521	50,732,156	52,254,121	53,821,745	55,436,397	57,099,489	58,812,474	60,576,848
14	CASHMAN OPERATIONS	3,945,398	4,344,540	4,474,876	4,609,122	4,747,396	4,889,818	5,036,513	5,187,608	5,343,236	5,503,533	5,668,639	5,838,698	6,013,859	6,194,275	6,380,103	6,571,507
15	COLLECTION ALLOCATION	24,104,565	24,685,000	25,420,300	26,175,909	26,954,256	27,756,023	28,581,912	29,432,645	30,308,967	31,211,646	32,141,471	33,100,871	34,089,052	35,106,880	36,155,242	37,235,054
	TOTAL EXPENDITURES	214,520,536	232,247,300	239,886,969	246,177,243	252,596,722	259,649,298	266,727,149	273,604,715	280,614,176	287,759,505	295,044,800	302,975,896	311,055,508	319,288,115	327,678,333	336,230,913
	TRANSFERS OUT - CAPITAL & OPEB:																
16	CAPITAL FUND - ROUTINE CAPITAL, FF&E	21,500,000	14,000,000	2,750,000	5,000,000	10,000,000	15,000,000	20,000,000	20,000,000	20,000,000	20,000,000	20,000,000	20,000,000	20,000,000	20,000,000	20,000,000	20,000,000
17	LVCCD FACILITY RESERVES/REINVESTMENT		-	-	-	-	-	-	-								
18	OTHER POST EMPLOYMENT BENEFITS	3,500,000	4,500,000	5,000,000	6,000,000	6,000,000	6,500,000	6,500,000	6,500,000	3,500,000	3,570,000	3,641,400	3,714,228	3,788,513	3,864,283	3,941,568	4,020,400
	TOTAL TRANSFERS OUT - CAPITAL & OPEB	25,000,000	18,500,000	7,750,000	11,000,000	16,000,000	21,500,000	26,500,000	26,500,000	23,500,000	23,570,000	23,641,400	23,714,228	23,788,513	23,864,283	23,941,568	24,020,400
	TRANSFERS OUT - DEBT & PAYGO:																
	DEBT SERVICE NDOT	19,001,073	21,190,858	19,143,562	19,147,635	19,153,476	19,165,791	19,167,103	19,167,166	19,152,827	19,156,023	19,139,858	19,136,834	19,125,727	19,119,774	19,110,404	19,097,155
	DEBT SERVICE LVCC	32,169,532	30,674,318	30,691,918	30,583,180	30,646,068	13,924,968	13,992,118	14,454,058	14,465,543	14,446,618	14,459,618	14,456,618	9,040,868	9,036,868	9,051,368	9,057,868
	DEBT SERVICE LVCCD - PHASE ONE - LAND	3,818,117	8,359,749	8,363,646	8,467,046	8,466,896	11,940,696	11,986,646	11,982,546	11,984,996	11,991,396	12,001,096	12,031,646	12,069,140	12,085,790	12,079,290	12,140,690
	DEBT SERVICE LVCCD - PHASE ONE - LAND (JPM LOC)	-	-	-	-	-	6,000,000	6,000,000	6,000,000	6,000,000	6,000,000	6,000,000	6,000,000	6,000,000	6,000,000	6,000,000	6,000,000
	LVCVA CAPACITY FOR DEBT FY 2017 - FY2023	-	-	-	-	-	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000
	LVCVA CAPACITY FOR DEBT FY 2024 - FY2030	-	-	-	-	-	-	-	-	-	-	5,000,000	10,000,000	10,000,000	15,000,000	20,000,000	20,000,000
19	TOTAL TRANSFERS OUT DEBT & PAYGO	54,988,722	60,224,925	58,199,126	58,197,861	58,266,440	56,031,455	56,145,867	56,603,770	56,603,366	56,594,037	61,600,572	66,625,098	61,235,735	66,242,432	71,241,062	71,295,713
20	BOARD RESERVE FOR CONTINGENCY	-	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000
	TOTAL EXPENDITURES AND OTHER USES	**294,509,258**	**311,472,225**	**306,336,095**	**315,875,104**	**327,363,162**	**337,680,753**	**349,873,016**	**357,208,485**	**361,217,542**	**368,423,542**	**380,786,772**	**393,815,222**	**396,579,755**	**409,894,830**	**423,360,963**	**432,047,026**
	FUND BALANCE, BEGINNING	34,720,317	33,587,182	21,569,357	26,817,128	27,482,415	25,265,561	31,113,279	25,214,203	19,875,703	24,982,260	28,422,710	26,213,548	33,647,609	35,358,984	36,755,985	41,595,352
21	**FUND BALANCE, ENDING**	**33,587,181**	**21,569,357**	**26,817,128**	**27,482,415**	**25,265,561**	**31,113,279**	**25,214,203**	**19,875,703**	**24,982,260**	**28,422,710**	**26,213,548**	**33,647,609**	**35,358,984**	**36,755,985**	**41,595,352**	**43,987,410**
	Ending Fund Balance %	**15.7%**	**9.3%**	**11.2%**	**11.1%**	**10.0%**	**12.0%**	**9.4%**	**7.3%**	**8.9%**	**9.9%**	**8.9%**	**11.1%**	**11.3%**	**11.5%**	**12.7%**	**13.1%**

LAS VEGAS CONVENTION CENTER DISTRICT

FINANCIAL PLANNING DOCUMENT

JANUARY 2016

Scenario B: Incorporates LVCCD Phase Two & Three Projected Operations & Capital Funding Program "All-in" (FY 2016 - FY 2030)

SCENARIO B: INCORPORATES LVCCD PHASE TWO & THREE PROJECTED OPERATIONS AND CAPITAL FUNDING PROGRAM

LVCCD CONSTRUCTION PERIOD - EXPANSION AND RENOVATION

	FY 2015 ACTUAL	REVISED FY 2016 BUDGET	FY 2017 PROJECTED	FY 2018 PROJECTED	FY 2019 PROJECTED	FY 2020 PROJECTED	FY 2021 PROJECTED	FY 2022 PROJECTED	FY 2023 PROJECTED	FY 2024 PROJECTED	FY 2025 PROJECTED	FY 2026 PROJECTED	FY 2027 PROJECTED	FY 2028 PROJECTED	FY 2029 PROJECTED	FY 2030 PROJECTED
REVENUES & SOURCES:																
TAXES & FEES																
1 ROOM TAX	239,318,802	245,100,000	252,453,000	260,026,590	267,827,388	275,862,209	284,138,076	292,662,218	301,442,084	313,499,768	326,039,759	339,081,349	352,644,603	370,276,833	388,790,675	408,230,208
2 GAMING FEES	1,726,843	1,750,000	1,750,000	1,732,500	1,715,175	1,698,023	1,681,043	1,664,233	1,647,590	1,631,114	1,614,803	1,614,803	1,614,803	1,614,803	1,614,803	1,614,803
3 BUILDING PARTNER CAPITAL CONTRIBUTION	-	-	-	10,000,000	10,000,000	-	-	-	-	-	-	-	-	-	-	-
4 NEW LVCCD REVENUE SOURCES	-	-	40,000,000	80,000,000	82,000,000	84,100,000	86,300,000	88,500,000	90,800,000	93,100,000	95,500,000	97,900,000	100,400,000	103,000,000	105,600,000	108,300,000
TOTAL TAXES & FEES	241,045,645	246,850,000	294,203,000	351,759,090	361,542,563	361,660,233	372,119,119	382,826,450	393,889,675	408,230,882	423,154,562	438,596,152	454,659,406	474,891,636	496,005,478	518,145,012
USE OF FACILITIES																
5 CONVENTION CENTER (LVCC):																
EXHIBIT HALLS, MEETING ROOMS, PARKING, TECHNOLOGY	40,605,461	41,027,000	44,660,000	42,350,000	42,966,000	51,744,000	44,968,000	44,352,000	49,126,000	46,046,000	43,736,000	54,824,000	43,736,000	46,046,000	51,436,000	47,427,000
CATERING/CONCESSIONS/OTHER	6,488,684	6,495,000	7,540,000	7,150,000	7,254,000	8,736,000	7,592,000	7,488,000	8,294,000	7,774,000	7,384,000	9,256,000	7,384,000	7,774,000	8,684,000	8,006,250
6 LVCCD EXPANSION:																
EXHIBIT HALLS, MEETING ROOMS, PARKING, TECHNOLOGY	-	-	-	-	-	2,550,000	2,250,000	2,250,000	2,640,000	7,200,000	8,250,000	13,200,000	10,950,000	13,050,000	17,655,000	14,850,000
CATERING/CONCESSIONS/OTHER	-	-	-	-	-	446,250	393,750	393,750	462,000	1,260,000	1,443,750	2,310,000	1,916,250	2,283,750	3,089,625	2,598,750
7 CASHMAN CENTER:																
EXHIBIT HALLS, MEETING ROOMS, PARKING, TECHNOLOGY	1,815,341	1,651,000	1,684,020	1,717,700	1,752,054	1,787,095	1,822,837	1,859,294	1,896,480	1,934,410	1,973,098	2,012,560	2,052,811	2,093,867	2,135,745	2,178,459
CATERING/CONCESSIONS/OTHER	92,283	85,000	86,700	88,434	90,203	92,007	93,847	95,724	97,638	99,591	101,583	103,615	105,687	107,801	109,957	112,156
TOTAL USE OF FACILITIES	49,001,769	49,258,000	53,970,720	51,306,134	52,062,257	65,355,352	57,120,434	56,438,768	62,516,118	64,314,001	62,888,431	81,706,174	66,144,748	71,355,418	83,110,326	75,172,615
OTHER:																
8 TOTAL OTHER	3,328,707	3,346,400	3,410,146	3,475,167	3,541,488	3,609,136	3,678,137	3,748,517	3,820,306	3,893,530	3,968,219	4,044,401	4,122,107	4,201,367	4,282,212	4,364,675
TOTAL REVENUES & SOURCES	**293,376,121**	**299,454,400**	**351,583,866**	**406,540,391**	**417,146,308**	**430,624,721**	**432,917,690**	**443,013,736**	**460,226,099**	**476,438,413**	**490,011,211**	**524,346,727**	**524,926,261**	**550,448,421**	**583,398,016**	**597,682,301**
EXPENDITURES:																
9 GENERAL GOVERNMENT	14,322,106	17,930,500	19,992,415	21,032,427	21,683,500	22,354,908	23,047,295	23,761,324	24,497,677	25,257,062	26,040,206	26,847,862	27,680,805	28,539,837	29,425,785	30,339,501
10 MARKETING	34,725,318	37,650,800	40,020,374	41,350,675	43,040,627	44,835,346	46,150,407	47,504,919	48,900,066	50,837,068	52,317,180	53,841,696	55,411,947	57,529,305	59,195,184	60,911,040
11 ADVERTISING	93,148,972	95,500,000	97,000,000	99,000,000	101,000,000	103,500,000	106,000,000	108,500,000	111,000,000	113,500,000	116,000,000	119,000,000	122,000,000	125,000,000	128,000,000	131,000,000
12 SPECIAL EVENTS	8,765,599	13,035,600	13,426,668	13,829,468	14,244,352	14,671,683	15,000,000	15,000,000	15,000,000	15,000,000	15,000,000	15,000,000	15,000,000	15,000,000	15,000,000	15,000,000
13 LVCC OPERATIONS	35,508,579	39,100,860	42,621,629	43,900,278	45,217,286	50,071,332	51,573,472	55,771,053	57,444,184	61,979,294	63,838,673	71,719,878	73,871,474	76,087,618	78,370,247	80,721,354
14 CASHMAN OPERATIONS	3,945,398	4,344,540	4,474,876	4,609,122	4,747,396	4,889,818	5,036,513	5,187,608	5,343,236	5,503,533	5,668,639	5,838,698	6,013,859	6,194,275	6,380,103	6,571,507
15 COLLECTION ALLOCATION	24,104,565	24,685,000	25,420,300	26,175,909	26,954,256	27,756,023	28,581,912	29,432,645	30,308,967	31,513,088	32,765,456	34,069,615	35,425,941	37,189,164	39,040,548	40,984,501
TOTAL EXPENDITURES	214,520,536	232,247,300	242,956,262	249,897,880	256,887,418	268,079,111	275,389,599	285,157,548	292,494,131	303,590,046	311,630,155	326,317,749	335,404,026	345,540,200	355,411,867	365,527,903
TRANSFERS OUT - CAPITAL & OPEB:																
16 CAPITAL FUND - ROUTINE CAPITAL, FF&E	21,500,000	14,000,000	2,750,000	5,000,000	5,000,000	5,000,000	5,000,000	15,000,000	15,000,000	20,000,000	25,000,000	30,000,000	30,000,000	35,000,000	35,000,000	35,000,000
17 LVCCD FACILITY RESERVES/REINVESTMENT	-	-	-	10,000,000	10,000,000	-	-	-	2,715,675	4,978,275	7,350,337	9,714,775	12,175,537	14,736,575	17,286,850	19,951,087
18 OTHER POST EMPLOYMENT BENEFITS	3,500,000	4,500,000	5,000,000	6,000,000	6,000,000	6,500,000	6,500,000	6,500,000	3,500,000	3,570,000	3,641,400	3,714,228	3,788,513	3,864,283	3,941,568	4,020,400
TOTAL TRANSFERS OUT - CAPITAL & OPEB	25,000,000	18,500,000	7,750,000	21,000,000	21,000,000	11,500,000	11,500,000	21,500,000	21,215,675	28,548,275	35,991,737	43,429,003	45,964,050	53,600,858	56,228,418	58,971,487
TRANSFERS OUT - DEBT & PAYGO:																
DEBT SERVICE NDOT	19,001,073	21,190,858	19,143,562	19,147,635	19,153,476	19,165,791	19,167,103	19,167,166	19,152,827	19,156,023	19,139,858	19,136,834	19,125,727	19,119,774	19,110,404	19,097,155
DEBT SERVICE LVCC	32,169,532	30,674,318	30,691,918	30,583,180	30,646,068	13,924,968	13,992,118	14,454,058	14,465,543	14,446,618	14,459,618	14,456,618	9,040,868	9,036,868	9,051,368	9,057,868
DEBT SERVICE LVCCD - PHASE ONE - LAND	3,818,117	8,359,749	8,363,646	8,467,046	8,466,896	11,940,696	11,986,646	11,982,546	11,984,996	11,991,396	12,001,096	12,031,646	12,069,140	12,085,790	12,079,290	12,140,690
DEBT SERVICE LVCCD - PHASE ONE - LAND (JPM LOC)	-	-	-	-	-	6,000,000	6,000,000	6,000,000	6,000,000	6,000,000	6,000,000	6,000,000	6,000,000	6,000,000	6,000,000	6,000,000
LVCCD DEBT SERVICE - PHASE TWO & THREE	-	-	7,274,500	14,549,000	28,566,631	42,584,263	60,155,050	81,346,338	88,084,325	88,121,725	88,149,663	88,185,225	88,224,463	88,263,425	88,313,150	88,348,913
LVCCD PAYGO PHASE TWO & THREE	-	-	30,000,000	63,256,565	48,492,390	58,366,228	33,113,268	13,003,976	-	-	-	-	-	-	-	-
19 TOTAL TRANSFERS OUT DEBT & PAY-GO	54,988,722	60,224,925	95,473,626	136,003,426	135,325,461	151,981,946	144,414,185	145,954,084	139,687,691	139,715,762	139,750,235	139,810,323	134,460,198	134,505,857	134,554,212	134,644,626
20 BOARD RESERVE FOR CONTINGENCY	-	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000
TOTAL EXPENDITURES AND OTHER USES	**294,509,258**	**311,472,225**	**346,679,888**	**407,401,306**	**413,712,879**	**432,061,057**	**431,803,784**	**453,111,632**	**453,897,497**	**472,354,083**	**487,872,127**	**510,057,075**	**516,328,274**	**534,146,914**	**546,694,498**	**559,644,015**
FUND BALANCE, BEGINNING	34,720,317	33,587,182	21,569,357	26,473,335	25,612,420	29,045,850	27,609,514	28,723,420	18,625,524	24,954,125	29,038,455	31,177,539	45,467,192	54,065,179	70,366,685	107,070,204
21 FUND BALANCE, ENDING	**33,587,181**	**21,569,357**	**26,473,335**	**25,612,420**	**29,045,850**	**27,609,514**	**28,723,420**	**18,625,524**	**24,954,125**	**29,038,455**	**31,177,539**	**45,467,192**	**54,065,179**	**70,366,685**	**107,070,204**	**145,108,490**
Ending Fund Balance %	**15.7%**	**9.3%**	**10.9%**	**10.2%**	**11.3%**	**10.3%**	**10.4%**	**6.5%**	**8.5%**	**9.5%**	**10.0%**	**13.9%**	**16.1%**	**20.3%**	**30.1%**	**39.6%**

ATTACHMENTS

10 Year History LVCVA Operating Revenues & Expenditures

10 Year History LVCVA Capital Investment in Facilities

History of Room Tax All Recipients

History of Collection Allocation Returned to Collecting Entity

Most recent Moody’s and Standard & Poor’s Ratings reports (Revenue & GO Bonds)

LAS VEGAS CONVENTION CENTER DISTRICT

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10 Year History
LVCVA Operating Revenues & Expenditures*

	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015
Beginning Fund Balance	$ 47,028,002	$ 29,590,304	$ 37,140,544	$ 45,727,619	$ 18,447,554	$ 19,500,027	$ 35,727,203	$ 33,450,413	$ 21,281,491	$ 34,720,322
Revenues & Sources										
Room Tax	$ 200,086,827	$ 213,256,076	$ 220,733,128	$ 176,726,992	$ 154,046,265	$ 175,425,978	$ 199,592,498	$ 203,196,429	$ 222,781,385	$ 239,318,802
Facility Use LVCC	42,583,037	43,197,430	50,848,050	41,474,676	40,550,001	44,157,694	45,004,264	43,228,222	55,137,400	47,094,146
Other**	7,740,212	9,668,223	8,692,877	6,267,121	5,946,164	5,920,151	5,978,252	6,450,262	7,359,113	6,601,071
Interest & Investment Earnings	2,757,487	2,992,187	1,639,755	666,724	188,525	551,904	240,177	170,348	353,464	188,830
Miscellaneous & Other Financing Sources***	1,095,319	2,543,845	4,227,582	2,286,284	13,647,846	11,574,335	325,449	133,112	198,547	173,273
Total Revenues & Sources	**$ 254,262,882**	**$ 271,657,761**	**$ 286,141,392**	**$ 227,421,797**	**$ 214,378,801**	**$ 237,630,062**	**$ 251,140,640**	**$ 253,178,373**	**$ 285,829,909**	**$ 293,376,122**
Expenditures & Uses										
General Government	$ 7,429,634	$ 7,799,028	$ 9,192,348	$ 12,860,753	$ 10,700,952	$ 10,373,913	$ 12,452,224	$ 13,246,144	$ 14,208,721	$ 14,322,107
Marketing	31,990,835	33,079,357	33,908,754	30,165,052	26,754,911	27,458,590	30,289,998	30,301,848	28,242,821	34,725,317
Advertising	82,923,473	84,713,300	88,074,185	89,547,692	87,199,280	79,504,487	83,636,231	90,587,216	92,470,992	93,148,972
Special Events	9,816,706	13,543,716	11,967,338	6,574,417	7,437,670	8,058,471	7,713,777	8,233,771	8,570,890	8,765,599
Operations	36,890,102	41,269,630	43,940,271	37,350,037	34,186,143	34,008,771	37,131,878	36,690,902	44,964,996	39,453,977
Community Support	24,435,261	24,873,202	26,918,858	20,249,779	16,749,540	18,985,179	21,157,585	20,509,181	22,449,149	24,104,565
Transfers to Other Funds	78,214,569	58,829,288	63,552,563	57,954,132	30,297,832	43,013,475	61,035,737	65,778,233	61,483,509	79,988,725
Total Expenditures & Uses	**$ 271,700,580**	**$ 264,107,521**	**$ 277,554,317**	**$ 254,701,862**	**$ 213,326,328**	**$ 221,402,886**	**$ 253,417,430**	**$ 265,347,295**	**$ 272,391,078**	**$ 294,509,262**
Ending Fund Balance	$ 29,590,304	$ 37,140,544	$ 45,727,619	$ 18,447,554	$ 19,500,027	$ 35,727,203	$ 33,450,413	$ 21,281,491	$ 34,720,322	$ 33,587,182

* Only general fund data presented.
** Amounts include Cashman operations, gaming fees and other fees and charges such as rent.
*** Amounts include proceeds from the sale of assets and transfers in from others funds.

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10 Year History
LVCVA Capital Investment in Facilities

CAPITAL INVESTMENT IN FACILITIES	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015
Major Facility Capital Improvement Projects (CIP):										
Central Restrooms, Data Center, Early Construction Mockups, & Other Pre-Construction	$ 8,223,189	$ 19,295,860	$ 41,545,250	$ 37,619,477	$ 8,235,113	$ 503,514	$ 87,691	$ -	$ -	$ -
LVMPD Substation/Area Command	55,360	1,414,552	13,164,579	2,840,500	-	-	-	-	-	-
Fire Sprinkler Upgrades	-	-	-	28,000	3,500	2,256,555	2,535,688	912,154	-	-
Business Partner Facility Improvements	-	-	655,834	281,668	605,498	879,791	951,469	365,535	442,033	785,448
Carpet Replacement at LVCC	-	-	-	-	-	-	782,261	3,048,421	-	-
Central Plant & Distribution Improvement	-	-	-	16,976	-	2,420,744	-	-	-	-
Halide Lamp Replacement at LVCC	-	-	-	-	-	2,000	401,714	1,082,555	441,714	320,839
Telecommunications Upgrade	-	-	-	-	6,248	1,916,966	212,956	-	-	-
Desert Inn Meeting Room Structure	-	-	791,588	858,583	-	-	-	-	-	-
Utility Installations & Relocations	-	-	-	1,472,472	26,541	-	-	-	-	-
NV Energy Back-Up Feeder Line	-	-	-	-	-	-	792,630	572,903	-	83,481
Central Plant Ceramic Towers (New)	-	-	-	-	-	-	-	27,100	1,378,387	-
Preliminary LVCCD Expansion & Renovation Project	-	-	-	-	-	-	13,000	530,731	492,472	172,705
Emergency Notification System	-	-	-	-	-	-	67,887	7,543	966,684	125,451
North Lobby & Meeting Room Renovations	-	-	5,940	824,932	-	-	-	-	-	-
Exterior Painting at LVCC	-	-	-	-	-	-	-	1,725,349	80,380	-
Other Aggregated Building Improvements at LVCC	1,161,548	1,161,548	1,161,548	1,161,548	1,161,548	1,161,548	1,161,548	1,161,548	1,161,548	1,161,548
Furniture, Fixtures & Equipment, PC Lease	2,076,000	2,763,284	2,279,758	939,819	248,255	928,943	1,220,614	1,858,374	1,297,321	623,972
Other Cashman Capital Assets & Improvements	285,436	79,938	440,351	233,166	573,901	149,049	571,558	26,213	79,624	62,155
Total Major Facility CIP	**$ 11,801,533**	**$ 24,715,182**	**$ 60,044,849**	**$ 46,277,141**	**$ 10,860,604**	**$ 10,219,111**	**$ 8,799,017**	**$ 11,318,425**	**$ 6,340,164**	**$ 3,335,599**
Land Acquisitions, Demolition, & Site Improvements:										
2901 Las Vegas Blvd. Land (Riviera)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 187,490,447
3380 Swenson Land (Blue Harbor Apartments)	-	-	49,884,350	-	-	-	-	-	-	-
552/560/594 Sierra Vista Land	-	-	-	-	-	-	-	22,361,767	-	-
500/650 Sierra Vista Land	-	-	-	-	-	-	-	-	21,096,119	54,545
454 Sierra Vista Land	11,107,414	50,730	-	-	-	-	-	-	-	-
750 Sierra Vista Land	10,326,440	-	-	-	-	-	-	-	-	-
486 Sierra Vista Land	7,102,500	-	-	-	-	-	-	-	-	-
820 Desert Inn (Frey Property)	5,922,388	-	144,835	85,290	-	-	-	-	-	-
3260 Joe W Brown (White House)	-	3,599,101	107,586	834,913	-	-	-	-	-	-
3333 Cambridge (Lowden)	-	1,851,703	166,434	67,907	7,425	-	-	-	-	-
3380 Swenson (Purple Lot)	-	-	223,498	24,234	28,588	31,511	19,135	1,475,917	2,495	-
Apartment Demolition (Silver 5)	-	-	-	-	-	-	-	86,224	1,073,745	-
Grand Concourse/Silver Lot 1 & 2		-	801,958	292,280	-	-	-	-	-	-
Site Improvements Project (Green Lot)	842,760	-	-	-	-	-	-	-	-	-
Sierra Vista Corner Lot Development	-	-	-	-	-	-	-	24,832	72,446	679,356
Other LVCC Land Improvements	344,944	299,382	964,013	53,500	138,321	24,630	384,345	688,481	643,650	1,458,278
Cashman Land Improvements	265,241	449,266	774,161	93,827	5,330	121,402	157,272	77,056	57,667	142,118
Total Land Acquisitions, Demolition, & Site Improvements	**$ 35,911,687**	**$ 6,250,181**	**$ 53,066,834**	**$ 1,451,951**	**$ 179,663**	**$ 177,543**	**$ 560,752**	**$ 24,714,278**	**$ 22,946,122**	**$ 189,824,744**
TOTAL CAPITAL INVESTMENTS IN FACILITIES	**$ 47,713,221**	**$ 30,965,363**	**$ 113,111,683**	**$ 47,729,092**	**$ 11,040,268**	**$ 10,396,654**	**$ 9,359,768**	**$ 36,032,703**	**$ 29,286,285**	**$ 193,160,343**

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History of Room Tax
All Recipients
(FY 1961 - FY 2015 Staggered Years)

Fiscal Year	1961 - 1969 [2]	1970 - 1983 [2]	1984 - 1991 [2]	1992 - 1997 [3]	1998 - 2008 [3]	2009 [3]	2010 [3]	2011 [3]	2012 [3]	2013 [3]	2014 [3]	2015 [3]	Total
LVCVA (Gross)	$ 18,644,691	$ 145,584,000	$ 253,926,235	$ 430,972,067	$ 1,684,053,745	$ 176,726,992	$ 154,046,265	$ 175,425,978	$ 199,592,498	$ 203,196,429	$ 222,781,385	$ 239,318,802	$ 3,904,269,086
Collection Allocation from LVCVA [1]	(1,864,469)	(14,558,400)	(24,819,657)	(38,096,597)	(165,895,484)	(17,672,699)	(15,404,627)	(17,542,598)	(19,959,250)	(20,319,643)	(22,278,139)	(23,931,880)	(382,343,442)
NDOT Debt						(1,505,554)	(4,176,047)	(16,379,353)	(19,137,373)	(18,836,232)	(21,178,758)	(21,186,259)	(102,399,576)
Net LVCVA	**$ 16,780,222**	**$ 131,025,600**	**$ 229,106,578**	**$ 392,875,470**	**$ 1,518,158,261**	**$ 157,548,739**	**$ 134,465,591**	**$ 141,504,027**	**$ 160,495,875**	**$ 164,040,554**	**$ 179,324,489**	**$ 194,200,663**	**$ 3,419,526,068**
NDOT Debt						**$ 1,505,554**	**$ 4,176,047**	**$ 16,379,353**	**$ 19,137,373**	**$ 18,836,232**	**$ 21,178,758**	**$ 21,186,259**	**$ 102,399,576**
NCOT Gross (3/8%)			19,485,915	30,000,655	129,335,007	13,948,908	12,116,888	13,810,386	15,666,124	15,955,266	17,530,506	18,736,557	286,586,213
Collection Allocation from NCOT [1]			-	-	-	-	-	-	-	-	-	-	-
Net NCOT	**$ -**	**$ -**	**$ 19,485,915**	**$ 30,000,655**	**$ 129,335,007**	**$ 13,948,908**	**$ 12,116,888**	**$ 13,810,386**	**$ 15,666,124**	**$ 15,955,266**	**$ 17,530,506**	**$ 18,736,557**	**$ 286,586,213**
State General Fund/Schools Gross (3%)							88,377,096	109,088,770	124,473,472	126,989,418	138,974,519	148,902,500	736,805,775
Collection Allocation from State [1]							-	-	-	-	-	-	-
Net State of Nevada	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ 88,377,096**	**$ 109,088,770**	**$ 124,473,472**	**$ 126,989,418**	**$ 138,974,519**	**$ 148,902,500**	**$ 736,805,775**
CCSD Gross (1 5/8%)					532,182,277	60,424,454	55,412,353	62,382,237	69,342,936	70,643,941	77,781,812	85,405,191	1,013,575,201
Collection Allocation from CCSD [1]					-	-	-	-	-	-	-	-	-
Net CCSD	**$ -**	**$ -**	**$ -**	**$ -**	**$ 532,182,277**	**$ 60,424,454**	**$ 55,412,353**	**$ 62,382,237**	**$ 69,342,936**	**$ 70,643,941**	**$ 77,781,812**	**$ 85,405,191**	**$ 1,013,575,201**
Clark County Transportation Gross (1%)				79,293,244	345,011,556	37,171,496	34,992,804	39,561,454	44,759,631	45,601,393	50,082,653	53,817,737	730,291,968
Collection Allocation from Clark County Transportation [1]				-	-	-	-	-	-	-	-	-	-
Net Clark County Transportation	**$ -**	**$ -**	**$ -**	**$ 79,293,244**	**$ 345,011,556**	**$ 37,171,496**	**$ 34,992,804**	**$ 39,561,454**	**$ 44,759,631**	**$ 45,601,393**	**$ 50,082,653**	**$ 53,817,737**	**$ 730,291,968**
Retained By Collecting Entities		29,818,410	62,388,198	94,372,960	397,679,444	43,691,864	38,023,455	43,700,188	50,635,511	51,545,465	56,846,685	59,549,180	928,251,360
Collection Allocation to Collecting Entities [1]	1,864,469	14,558,400	24,819,657	38,096,597	165,895,484	17,672,699	15,404,627	17,542,598	19,959,250	20,319,643	22,278,139	23,931,880	382,343,442
Net Collecting Entities	**$ 1,864,469**	**$ 44,376,810**	**$ 87,207,855**	**$ 132,469,557**	**$ 563,574,928**	**$ 61,364,563**	**$ 53,428,082**	**$ 61,242,786**	**$ 70,594,761**	**$ 71,865,108**	**$ 79,124,824**	**$ 83,481,060**	**$ 1,310,594,802**
Total	**$ 18,644,691**	**$ 175,402,410**	**$ 335,800,348**	**$ 634,638,926**	**$ 3,088,262,029**	**$ 331,963,715**	**$ 382,968,860**	**$ 443,969,013**	**$ 504,470,172**	**$ 513,931,912**	**$ 563,997,561**	**$ 605,729,967**	**$ 7,599,779,603**

Room Tax Rate:	5%	6%	7%	8%	9%	9%	12%	12%	12%	12%	12%	12%	12%
Recipient Modifications:	5% to LVCVA	1% to Local Entities	3/8% to NCOT 5/8% to LVCVA	1% to Transportation	1% to CCSD 5/8% from LVCVA to CCSD	NDOT Mandate	3% to State of NV						

(1) Collection Allocation is shown as 10% of room tax only. Collection Allocation is shown as a reduction in LVCVA gross receipts AND as an increase to collecting entities. Collection Allocation is only remitted by the LVCVA, no other recipient.
(2) Values for the total room tax are estimated; based on actual LVCVA room tax received. Data prior to 1991 is extrapolated based on the LVCVA's room tax total.
(3) Amounts from State of Nevada Department of Taxation Transient Lodging Report.

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History of Collection Allocation Returned to Collecting Entities
(FY 1961 - FY 2015)

	Boulder City	City of Henderson	City of Las Vegas	City of Mesquite	City of North Las Vegas	Clark County	Total Entities
FY 1961	$ 747	$ 155	$ 14,563	$ -	$ 763	$ 67,880	$ 84,108
FY 1962	751	143	31,375	-	870	121,076	154,215
FY 1963	1,005	348	38,215	-	980	139,436	179,983
FY 1964	837	494	39,560	-	1,339	147,042	189,272
FY 1965	732	476	38,669	-	1,586	149,715	191,177
FY 1966	3,500	14,120	74,171	-	21,181	107,361	220,333
FY 1967	649	555	46,002	-	1,606	203,316	252,128
FY 1968	3,500	21,484	112,850	-	32,226	129,453	299,513
FY 1969	6,368	25,389	133,283	-	38,097	141,165	344,302
FY 1970	7,442	29,670	155,757	-	44,521	151,132	388,522
FY 1971	8,175	32,593	171,105	-	48,908	162,780	423,561
FY 1972	8,956	35,708	187,456	-	53,581	172,123	457,824
FY 1973	10,475	41,764	219,248	-	62,669	190,291	524,447
FY 1974	12,988	51,780	271,829	-	77,698	220,339	634,634
FY 1975	15,137	60,348	316,809	-	90,555	246,043	728,892
FY 1976	17,240	68,733	360,831	-	103,138	271,200	821,142
FY 1977	21,383	85,250	447,540	-	127,922	320,751	1,002,846
FY 1978	25,326	100,971	530,067	-	151,511	367,911	1,175,786
FY 1979	31,731	126,506	664,123	-	189,829	444,519	1,456,708
FY 1980	38,399	153,092	803,694	-	229,723	524,277	1,749,185
FY 1981	40,934	163,198	856,744	-	244,887	554,594	1,860,357
FY 1982	42,950	171,235	898,940	-	256,947	578,706	1,948,778
FY 1983	44,139	175,974	923,813	-	264,057	592,920	2,000,903
FY 1984	45,588	182,352	785,357	-	273,529	785,357	2,072,183
FY 1985	51,853	207,410	880,452	-	311,115	906,101	2,356,931
FY 1986	56,698	226,794	949,974	-	340,191	1,003,545	2,577,202
FY 1987	65,256	259,415	1,014,365	145,136	389,928	1,108,442	2,982,542
FY 1988	72,680	289,068	1,089,138	132,146	434,429	1,286,181	3,303,642
FY 1989	77,942	309,999	1,118,477	141,714	465,884	1,428,127	3,542,143
FY 1990	88,008	350,032	1,206,678	160,015	526,048	1,670,286	4,001,067
FY 1991	98,382	391,293	1,292,384	178,877	588,057	1,922,924	4,471,917
FY 1992	100,002	399,127	1,322,387	179,841	595,136	1,964,886	4,561,379
FY 1993	106,394	431,559	1,450,251	181,501	620,260	2,141,659	4,931,624
FY 1994	123,857	516,698	1,777,885	190,959	695,361	2,598,985	5,903,745
FY 1995	143,599	621,434	2,201,422	189,591	764,422	3,178,755	7,099,223
FY 1996	172,121	811,313	2,663,955	312,946	535,138	3,328,183	7,823,656
FY 1997	189,478	921,457	2,926,979	344,505	618,466	3,611,736	8,612,621
FY 1998	193,671	989,928	3,004,618	352,128	635,276	3,627,589	8,803,210
FY 1999	219,108	1,185,108	3,395,770	398,378	750,595	4,010,485	9,959,444
FY 2000	269,085	1,493,821	4,114,807	489,246	999,369	4,864,817	12,231,145
FY 2001	303,438	1,750,877	4,568,376	551,705	1,154,808	5,463,424	13,792,628
FY 2002	277,581	1,676,321	4,100,912	504,693	1,057,484	5,000,325	12,617,316
FY 2003	291,788	1,681,130	4,282,631	530,524	1,092,287	5,384,741	13,263,101
FY 2004	341,075	2,001,490	4,919,231	620,136	1,299,186	6,322,289	15,503,407
FY 2005	392,042	2,282,755	5,550,961	712,804	1,532,529	7,349,010	17,820,101
FY 2006	444,511	2,588,452	6,176,979	808,202	1,864,095	8,322,805	20,205,044
FY 2007	473,452	2,758,525	6,503,053	860,822	2,072,490	8,852,199	21,520,541
FY 2008	477,383	2,838,620	6,697,257	865,533	2,134,974	9,244,731	22,258,498
FY 2009	393,422	2,272,906	5,159,192	715,313	1,838,353	7,503,630	17,882,816
FY 2010	343,215	2,042,128	4,497,673	624,027	1,627,150	6,466,478	15,600,671
FY 2011	390,159	2,324,995	5,135,916	709,381	1,867,445	7,306,621	17,734,517
FY 2012	443,093	2,612,241	5,732,037	805,624	2,124,833	8,422,775	20,140,603
FY 2013	451,062	2,632,560	5,845,349	820,112	2,224,554	8,529,166	20,502,803
FY 2014	473,452	2,758,525	6,503,053	860,822	2,082,929	9,770,369	22,449,149
FY 2015	473,452	2,758,525	6,503,336	860,822	2,096,928	11,411,502	24,104,565
Total	**$ 8,386,211**	**$ 45,926,844**	**$ 120,707,498**	**$ 14,247,503**	**$ 37,657,843**	**$ 160,792,152**	**$ 387,718,050**

Note: This report is strictly what was remitted by the LVCVA as recorded in its audited financial statements related to collection allocation. This report includes the gaming fee portion of collection allocation which is why it does not balance to the "History of Room Tax" report.

Rating Action: Moody's affirms A1 on Las Vegas Convention & Visitors Authority (NV) revenue bonds; outlook stable

Global Credit Research - 23 Feb 2015

$203.8 million of debt affected

New York, February 23, 2015 -- Moody's Investors Service has affirmed the A1 rating on the Las Vegas Convention and Visitors Authority's (LVCVA) revenue bonds outstanding in the amount of $203.8 million. The rating outlook on the authority remains stable.

SUMMARY RATING RATIONALE

The A1 rating primarily reflects the authority's pledge of hotel room taxes and facility charges that are benefitting from economic recovery in the Las Vegas metro area's cyclical and tourism dependent economy. The rating incorporates the authority's pledge of economically-sensitive hotel taxes that demonstrate a trend of long-term growth but nevertheless declined significantly in the recent recession. Also, net pledged revenues continue to provide solid coverage of peak debt service for both the authority's revenue debt and double-barreled GOLT bonds issued through Clark County. Lastly, legal provisions are satisfactory.

OUTLOOK

The stable outlook on LVCVA reflects that the economy of the Las Vegas metro area will continue to improve but remain dependent on cyclical tourism activity. Improving economic trends nationally, and globally, are directly benefitting the authority's revenues as visitor volumes and room rates improve to new all-time highs. The authority also benefits from multi-year commitments for many conventions and trade shows that directly support pledged revenues. Also, management remains committed to its goal of maintaining at least 3.0 times coverage of annual debt service, despite potential and substantial capital plans for the next ten years.

WHAT COULD MAKE THE RATING GO UP

• Sustainable and significant growth in pledged revenues and peak debt service coverage

• Reduced cyclical volatility in pledged revenues

WHAT COULD MAKE THE RATING GO DOWN

• Substantial declines in pledged revenues, particularly hotel tax receipts

• Substantial additional debt issuances that significantly reduce debt service coverage below management's target

OBLIGOR PROFILE

LVCVA is a governmental entity separate and apart from Clark County with its own governing board and independent administrative staff. The authority markets Las Vegas as a global travel destination for business and leisure.

LEGAL SECURITY

LVCVA's revenue bonds are secured by the authority's pledge of net revenues from hotel taxes collected throughout Clark County as well as revenues from its convention facilities.

The bonds are on parity with the authority's double-barreled bonds issued through the Clark County that are also secured by the county's GOLT pledge, which are outstanding in the approximate amount of $395.1 million.

USE OF PROCEEDS

Not applicable

RATING METHODOLOGY

The principal methodology used in this rating was US Public Finance Special Tax Methodology published in January 2014. Please see the Credit Policy page on www.moodys.com for a copy of this methodology.

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STANDARD & POOR'S
RATINGS SERVICES
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Summary:

Las Vegas Convention & Visitors Authority; Miscellaneous Tax

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Table Of Contents

Summary:
Las Vegas Convention & Visitors Authority; Miscellaneous Tax

Credit Profile		
Las Vegas Convention & Visitors Auth misc tax (AMBAC)		
Unenhanced Rating	A+(SPUR)/Stable	Affirmed

Rationale

Standard & Poor's Ratings Services affirmed its 'A+' long-term rating and underlying rating (SPUR), with a stable outlook, on Las Vegas Convention & Visitors Authority's revenue bonds.

The rating reflects our opinion of the authority's:

- Very strong debt service coverage (DSC) of 3.3x for fiscal 2013, increasing to nearly 3.5x in fiscal 2014;
- Participation in the stabilizing Las Vegas-Clark County metropolitan statistical area, which maintains its leading position as a national and international destination for tourists, business travelers, special events, and conventions;
- Extremely large base of hotels and rooms (more than 160,000 rooms) that generate approximately 80% of gross pledged revenue with no significant concentration in collections by any single hotel; and
- Continued development and redevelopment of casino hotels.

We believe somewhat offsetting credit concerns include, what we consider, the authority's:

- Reliance on stabilizing, albeit more-volatile, revenue streams that experienced significant decreases during the past recession; and
- Facility operating costs, paid before debt service, that can grow at the authority's option.

In addition, we believe the hotel tax rate's fixed nature, which the authority cannot increase, further offsets these strengths.

Hotel taxes collected throughout Clark County, net of operations-and-maintenance (O&M) costs at the authority's convention center and related facilities, and revenue generated by those facilities secure the revenue bonds. Through June 30, 2014, the authority's debt totaled $624 million, including $218 million of revenue bonds and an additional $406 million of bonds secured by pledged revenue and the county's general obligation (GO) pledge. Those bonds are a direct GO of the county, secured by its full-faith-and-credit property tax pledge, subject to a statutory limit on overlapping debt of $3.64 per $100 of assessed value.

In addition, we understand the authority plans to enter into a privately placed credit agreement with DNT Asset Trust and J.P. Morgan Chase Bank N.A. as the administrative agent. This agreement provides the authority with a line of credit, not to exceed $275 million, it plans to draw on over the next two years to fund property acquisition and various capital projects at, and in the vicinity of, the Las Vegas Convention Center, as well as countywide. We understand funds borrowed under the credit line are fully subordinate to the authority's previously issued revenue bonds and bonds secured by both pledged revenue and the county's full-faith-and-credit-GO property tax pledge.

Pledged hotel taxes and facility revenue, net of O&M costs, secure the authority's credit line on a subordinate basis to its previously issued senior-lien revenue bonds and senior-lien revenue-supported GO bonds. Under the credit agreement, amounts drawn against the credit line are subject to accelerated repayment upon an event of default. We, however, understand authority officials must first use pledged revenue to fund the annual senior-lien debt service requirement and required reserves in full before it can make accelerated or any subordinate-lien payments. After the payment of senior-lien debt and required reserves, if pledged revenue remains insufficient to fund subordinate-lien payments, we understand authority officials cannot use subsequent-year pledged revenue to fund accelerated subordinate-lien payments or claims from a previous year. Therefore, we do not believe the subordinate credit agreement weakens the credit standing of the authority's senior-lien bonds.

Furthermore, according to the authority's financial advisor, we understand the authority plans to refund any amounts drawn on the credit line with fixed-rate bonds over the next two years to three years. Assuming roughly $18 million of annual debt service beginning in fiscal 2018, all-in DSC of the authority's senior- and subordinate-lien revenue bonds remains, in our view, a strong 2.3x based on audited net pledged fiscal 2013 revenue.

Room taxes typically generate about 80% of gross pledged revenue while facility revenue and other charges account for the balance. Due to escalating annual debt service costs and despite improving revenue, DSC on the authority's senior-lien bonds, by net pledged revenue, has slightly weakened over the past few fiscal years; in our opinion, DSC was a still-very-strong 3.3x in audited fiscal 2013, down from 5x in fiscal 2009. DSC has historically been more than 3x over the past five audited fiscal years despite a notable 30% decrease in room tax revenue between fiscal years 2008 and 2010 due to the broader national recession.

Since fiscal 2010, however, room taxes increased by an annual average of nearly 10% to $203 million in fiscal 2013, the third highest level ever recorded; such taxes are estimated at $213 million in fiscal 2014. Officials have budgeted for room taxes to increase by 4% to $221.6 million in fiscal 2015. The hotel tax generates most gross pledged revenue while facilities revenue from convention activity accounts for $45 million, which has generally remained consistent over the past three audited fiscal years.

In general, facilities revenue approximately equals O&M costs. The facilities create convention; tourism; and business activity, which generate room taxes. To offset reduced revenue sustained during the recession, the authority froze hiring, deferred capital spending, and reduced spending by a combined $157 million. More recently, however, the authority has developed a nine-point restoration plan to invest additional revenue generated since the recession. Management attributes approximately 57% of expenditures to marketing and advertising since the authority is, in essence, a branding company for the city and county.

The facilities consist mainly of the 3.2-million-square-foot convention center and the 10,000-seat outdoor sports stadium known as Cashman Center. Leasing exhibit halls in the convention center, which is one of the nation's largest, generates most facilities revenue. We understand that the convention center hosted 64 events (conventions, events, and meetings) in fiscal 2013, down from 90 in fiscal 2009, and that the Cashman Center hosted 189, up from 140 in fiscal 2009. The fiscal 2015 budget assumes little change in the number of events at the convention center, but it includes a small increase to 200 events at the Cashman Center. We recognize the Las Vegas area is typically the leader in tradeshow destination rankings; the area hosted 5.1 million delegates and nearly 40 million total visitors in 2013, slightly lower than the highest levels recorded in 2012.

As of Dec. 31, 2013, room inventory totaled 162,662, including roughly 15,000 in Laughlin, Mesquite, and Primm. The MGM Grand is the largest hotel with nearly 5,000 rooms, or 3.1% of total rooms. The Luxor is the second largest hotel with 4,400 rooms, or 2.7% of total rooms, followed by Mandalay Bay, the Venetian, the Aria, and Excalibur hotels. The 10 leading hotels account for 40,730 rooms, or 25% of the region's total inventory. MGM owns seven of the 10 leading room taxpayers with 29,385 rooms, or 18% of total inventory. The occupancy rate has gradually improved and stabilized: It averaged 84.3% in 2013, up from 80.4% in 2010. These figures, however, were still well above the national average of roughly 62% in 2013.

After consecutive decreases through fiscal 2009, tourism has gradually rebounded and stabilized over the past few years. Visitor volume reached its highest level ever recorded at 39.7 million in 2012 before it slightly decreased in 2013; authority officials are projecting volume to reach 40 million in 2014 and 40.2 million in 2015. Most importantly, however, average daily room rates, which the tax is based on, increased to more than $110 in 2013; this, however, was still below peak room rates of $132 in 2007 but well above the $93 recorded in 2009. Gaming revenue is also slowly recovering, but it accounts for just a minimal portion of pledged revenue. In addition, we note the authority expects roughly 2,000 rooms will be added through 2015 and an additional 3,687 rooms will be added in 2016.

The county and cities in the county collect and transfer room taxes to the authority monthly. Although the total room tax varies in the county (10%-13% of the cost of a room), the authority receives only a portion of the total tax collected; it generally receives 5% for resort hotels and 4% for other hotels. Room tax revenue decreased by 20% in fiscal 2009 and 13% in fiscal 2010 before it increased in each subsequent fiscal year to $203 million in fiscal 2013, or a 32% three-year increase. The authority's revised budget includes nearly 5% room tax growth in fiscal 2014, and the fiscal 2015 budget includes an additional 4% increase to $221.6 million.

Although officials used reserves to mitigate the effect of the recent recession, the authority has a history of maintaining, what we consider, strong general fund balances. The general fund reserve totaled $21.3 million, or 8% of expenditures and transfers out, in fiscal 2013. The authority's five-year capital plan totals a manageable $36 million through fiscal 2019, most of which it expects to fund from accumulated capital reserves and general fund transfers. In addition, the authority is in the initial planning stages of a 10-year, $2.3 billion global business district that includes expansive facility and community renovations. Authority officials believe the plan's execution will allow the convention center and the broader Las Vegas region to maintain its competitive advantages over other destinations in North America.

The authority could issue additional senior-lien bonds under a 1.5x historical net revenue additional bonds test. We understand near-term additional debt plans include $168.5 million of new bonds and refunding senior-lien parity bonds over the next two years.

Outlook

The stable outlook reflects Standard & Poor's opinion that with continued economic recovery and improved tourism, DSC will, at least, likely remain at levels Standard & Poor's considers strong. The outlook also reflects our view that the Las Vegas area remains a leading destination for U.S.-based and international leisure and business travel, as well as the area's continuing, albeit scaled back, trend of developing casino resorts and hotels. Although not expected to occur over the two-year outlook period, we could lower the rating if the area were to experience a second significant economic downturn, causing pledged revenue and corresponding DSC to decrease materially. Due to the authority's reliance on a more-cyclical and volatile revenue stream, however, we do not expect to raise the rating over the outlook's two-year period.

Related Criteria And Research

Related Criteria

- USPF Criteria: Special Tax Bonds, June 13, 2007
- USPF Criteria: Contingent Liquidity Risks, March 5, 2012

Related Research

Alternative Financing: Disclosure Is Critical To Credit Analysis In Public Finance, Feb. 18, 2014

Ratings Detail (As Of November 14, 2014)		
Las Vegas Convention & Visitors Auth hotel tax (wrap of insured) (AMBAC & AGM) (SEC MKT)		
Unenhanced Rating	A+(SPUR)/Stable	Affirmed
Las Vegas Convention & Visitors Auth misc tax (AGM)		
Unenhanced Rating	A+(SPUR)/Stable	Affirmed
Many issues are enhanced by bond insurance.		

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MOODY'S
INVESTORS SERVICE

New Issue: Moody's assigns Aa1 to Clark County (NV) GOLT bonds; outlook stable

Global Credit Research - 23 Feb 2015

$3.1 billion of debt affected

CLARK (COUNTY OF) NV
Cities (including Towns, Villages and Townships)
NV

Moody's Rating

ISSUE		RATING
General Obligation (Limited Tax) Las Vegas Convention And Visitors Authority Refunding Bonds (Additionally Secured With Pledged Revenues) Series 2015A		Aa1
Sale Amount	$182,380,000	
Expected Sale Date	03/04/15	
Rating Description	General Obligation Limited Tax	

Moody's Outlook

NEW YORK, February 23, 2015 --Moody's Investors Service has assigned a Aa1 rating to Clark County, Nevada's General Obligation (Limited Tax) Las Vegas Convention and Visitors Authority Refunding Bonds (Additionally Secured with Pledged Revenues) , Series 2015A in the estimated amount of $182.4 million. At this time, Moody's affirms the Aa1 rating on $2.7 billion of the county's rated outstanding debt secured by its GOLT pledge as well the Aa2 rating on the county's lease revenue bonds outstanding in the amount of $182.6 million. The rating outlook remains stable.

SUMMARY RATING RATIONALE

The Aa1 GOLT rating reflects the county's very large tax base and economy in recovery, although exposure to cyclical tourism and gaming remains. Overall satisfactory financial performance with healthy reserves and liquidity despite recent trend of operating deficits that are moderating after the recent recession. The rating also incorporates a manageable debt burden that features a substantial portion of self-supporting debt, along with elevated pension liabilities.

The Aa2 lease revenue bond rating reflects the county's strong overall credit characteristics, the essentiality of the leased asset, and a very low lease burden.

OUTLOOK

The stable outlook reflects that the county's tax base and economy will continue to improve amid a moderately paced economic recovery. We also anticipate that the county's financial position will continue to benefit from a strong management team and conservative budgeting practices.

WHAT COULD MAKE THE RATING GO UP

- Significant diversification of economy away from reliance on gaming and tourism

- Appreciation in socioeconomic measures

- Protracted and sustainable growth in available reserves and liquidity

WHAT COULD MAKE THE RATING GO DOWN

- Deterioration of the county's financial position to levels inconsistent with similarly-rated peers

- Double-barreled GOLT debt no longer self-supported by additionally pledged revenues, resulting in support for debt service that pressures the county's operating performance

STRENGTHS

- Large service area and tax base including City of Las Vegas (Aa2 GOLT stable)

- Tourism metrics continue to show modest rates of improvement, including record visitor counts in 2014

- Still sizable available reserves and liquidity supported by conservative management

- Most GOLT debt is fully supported by additionally pledged revenues

CHALLENGES

- Economy reliant on gaming as well as related hospitality and entertainment sectors

- Operating deficits since the nationwide downturn driven by cyclical revenue volatility despite expenditure reductions

- Ongoing, though manageable, support to University Medical Center from operating funds

RECENT DEVELOPMENTS

The county's financial position remains satisfactory and align with medians for similarly-rated counties nationally as well as those of large counties with greater than one million residents. Available reserves totaled 27.8% of operating revenues ($530.1 million) as of FY2014 audited data. Importantly, reserves grew slightly, by $8.9 million, in FY2014 due to a large transfer of $79.9 million to the county's capital projects fund from the general fund; absent this transfer, operating funds would have realized a pro forma surplus of $22.7 million. Financial performance was supported by 6.7% annual growth in state-shared consolidated taxes (CTax) (24.8% of operating revenues) and stability in property taxes (27.7%) as the tax base transitioned to recovery. Growth in operating expenditures was driven by the increase in transfers, which included a $25.5 million short-term loan to University Medical Center (UMC) (paid via the capital fund) to cover near-term costs with implementation of the Affordable Care Act.

Economic activity is supported by large visitor counts that reached an all-time high of 41.1 million as of 2014, and a small increase to 41.6 million visitors is projected in 2015. International travelers provide a growing share of visitors, partly supported by a recent expansion at McCarran International Airport and global economic trends. Economic recovery will remain healthy with support from unparalleled gaming and entertainment amenities, slow population growth, and relative affordability given no personal state income tax.

The full market value of the county's tax base grew 13.9% for FY2015 to a still very large $179.7 billion, despite being only 56% of its pre-recession peak. Further, Moody's Analytics estimates that 28% of homeowners had mortgage debt that outweighs property values in 2014. These underwater borrowers may provide some near-term headwinds to the housing market, along with higher property prices that may also slow the market. Nevertheless, the level of foreclosures and distressed homeowners continues to decline.

DETAILED RATING RATIONALE

LARGE ECONOMY AND TAX BASE IMPROVING WITH RECOVERY TAKING HOLD

Clark County is a regional center that serves a large portion of southern Nevada, including the City of Las Vegas (Aa2 stable) and the greater metro area. The local economy is dependent upon gaming and tourism sectors that include the world-renowned Las Vegas Strip. Importantly, the Las Vegas Convention and Visitors Authority (LVCVA) (A1 stable special tax) remains the market leader in the U.S. for large-scale conventions and trade shows which supports visitor counts. The local economy is also seeing some gains in high-tech and healthcare sectors, which provides some modest diversity from traditional industries.

The county's unemployment rate remained elevated at 7.1% as of November 2014 compared to the nationwide rate, but nevertheless is improving amid a growing labor force but hiring in hospitality sectors slowed in late 2014. Historically, approximately one in three jobs in the metro area are in leisure and hospitality sectors, leaving employment levels highly cyclical relative to consumer demand. Median family income was 96.6% of U.S. levels as of the 2012 American Community Survey, which is modest for the Aa1 rating level but similar to some large, urban areas nationally.

The county's property values are benefitting from economic recovery but remain well below pre-recession highs during the prior housing boom. We note there is a lag between market activity and tax base values, so we anticipate continued increases in tax base values for at least the next one to two years. Additionally, the county's tax base is moderately concentrated with the ten largest taxpayers comprising 16.2% of assessed value as of FY2015, which primarily includes large resorts on the Las Vegas Strip.

SATISFACTORY FINANCIAL POSITION FOLLOWING DEEP RECESSION

The county anticipates a smaller operating deficit for FY2015 following mid-year augmentations to the budget. However, CTax collections were budgeted flat to the prior year which provides financial upside since economic conditions are improving both locally and statewide. Budget savings include the typical $20 million annually from assuming full staff headcount despite vacancies, and a $12 million reduction in OPEB contributions as lease payments from LVMPD are now directed to the OPEB internal service fund. The county's deficit is expected to narrow in FY2015 despite the general fund writing-off $20 million from last year's loan to UMC, additional costs of approximately $32 million to support police as LVMPD drew its own reserves since the recession and detention services are pressured by longer criminal stays with slower sentencing. For the general fund alone, there was a deficit of $39 million in FY2014 which should narrow to less than $30 million this year.

The county's operating funds include the general, debt service, and Las Vegas Metropolitan Police funds. Available reserves and liquidity also include the large and unrestricted balance in the capital projects fund that is driven by a buildup of longtime transfers from the general fund.

The county's subsidy to UMC will remain elevated through FY2016, but will remain a manageable drag on operating funds equivalent to less than 4% of operating revenues. The hospital's annual subsidy stabilized around $41 million prior to the Affordable Care Act which is equivalent to only about 2% based upon the county's FY2014 operating revenues. Cost pressures historically were driven by uncompensated care for indigent persons and contributions from the county's general fund for upper payment limit funds necessary to secure larger-scale federal Medicaid funds. However, the Affordable Care Act led to a rapid increase in the insured service population that pressured UMC operations especially as some federal healthcare payments were delayed by a backlog but will be received in late FY2015. As such, UMC's subsidy swelled to $71 million for FY2015 and the $20 million remainder for the short-term loan from FY2014 will be written-off. For FY2016, the subsidy is projected to decline to the $60 million range as recent budget cuts to services and staff take hold and federal funding normalizes while uncompensated care should continue to decline with a greater insured population. Officials anticipate that the subsidy should revert toward its prior level of $41 million in FY2017 with additional savings from ongoing cuts to UMC's staff and service levels.

Also of note, officials note that the recent bankruptcy filing by Caesar's Entertainment and its affiliates is not expected to affect tax collections since the bankruptcy court issued an order allowing the continuation of tax payments in the regular course of its business.

Liquidity

Available net liquidity remained sound at 32% of operating revenues as of FY2014, which is also supported by unrestricted cash in the county's capital projects fund. Liquidity remains in-line with nationwide medians for similarly rated peers and many other large counties nationally.

MANAGEABLE DEBT AND PENSION LIABILITIES

Clark County's direct debt burden is above national medians for similarly-rated peers and many other large counties, but is mitigated by the vast majority of GOLT obligations being paid fully from additionally pledged revenues outside the county's operating funds. The county's gross direct debt burden represents 1.7% of full value of the tax base and 1.6 times operating revenues from FY2014. However, GOLT bonds supported by flood control component unit revenues are considered self-supported by this essential utility's tax revenues which leads to a net direct debt burden of over 1.5% of full value and just below 1.4 times operating revenues.

The combined property tax rates in the county were nearly $3.28 per $100 of assessed value as of 2014, using Las Vegas as a proxy, which leaves a sizable margin of nearly $0.36 under statutory caps for overlapping tax rates. Overlapping rates include levies for operations and debt service and combined rates remained about stable in recent years, despite the recession, as local governments did not increase levies and voters rejected additional levies. Importantly, levies for non-debt purposes would be reduced first for overlapping rates to comply with the statutory limit of $3.64 in a compression situation.

Debt Structure

The county's direct debt amortizes somewhat slowly at approximately 41.6% of principal within ten years, although all debt amortizes fully by 2044. We note that double-barreled GOLT bonds have the longest payout. GOLT debt supported by other entities includes: $1.2 billion of bonds outstanding that were issued on behalf of the Southern Nevada Water Authority (SNWA), $544.3 million for the county's flood control component unit, and $395 million for LVCVA (including the current offering). The county provides its GOLT backstop, pursuant to statutes, to component units or overlapping entities. Debt service for these obligations are fully supported by the additionally pledged resources of those entities following a demonstration of affordability overseen by the Clark County Debt Management Commission.

Debt-Related Derivatives

The county has no exposure to debt-related derivatives.

Pensions and OPEB

Clark County's pensions are provided through the Nevada Public Employee Retirement System (PERS), a cost sharing, multiple-employer defined benefit plan. The county's Moody's adjusted net pension liability (ANPL) was elevated at an average of 3.2% of full value and 3.0 times operating revenues for FY2011-13. The county annually pays 100% of the actuarially required contribution owed to PERS. Moody's ANPL reflects certain adjustments we make to improve comparability of reported pension liabilities, including netting pension contributions from self-supporting essential utilities. The adjustments are not intended to replace reported liability information, but to improve comparability with other rated entities.

The county also provides other post-employment benefits (OPEB) of health insurance coverage to eligible retirees from various employee groups through several programs. The unfunded accrued liabilities across the OPEB plans declined to $976 million county-wide as of 2013 and generally have been funded on a pay-go basis each year, and a portion of police-related liabilities are funded by the City of Las Vegas. The county's OPEB reserve fund with a net position of $288.2 million as of FY2014, though subsequent to FY2014 a large portion of the reserve was used to purchase the LVMPD headquarters for $208.4 million. However, lease payments from LVMPD of approximately $13.1 million annually will continue, and the county will use these funds as well as other OPEB reserves to fund a new OPEB trust that was created last year.

The county has approximately $183 million in lease revenue bonds that were issued in 2008 for its detention center. The peak lease burden is very low, averaging 0.6% for the next five years based upon operating revenues from FY2014. Lease payments are subject to annual appropriation but the essential nature of the leased asset and the manageable lease burden suggest the risk of non-appropriation is remote. Similar to the LVMPD headquarters building acquisition, the county will have an option to purchase the detention center.

STRONG MANAGEMENT DEMONSTRATES CONSERVATIVE FINANCIAL PRACTICES

The county's management team is strong and operating performance benefits from conservative stewardship. Management also strategically reduced available reserves since the recent recession and annual deficits are declining. Importantly, the budget always assumes a full draw on the large balance in the capital projects despite only a limited pipeline of projects, and the sizable balance remains a significant component of available reserves and liquidity. Additionally, significant annual savings are generated from budgeting full staff headcount despite vacancies. The county also budgets conservatively for economically sensitive CTax and does not rely on uncertain economic growth to fund operations. The county demonstrated willingness to adopt sizable operating adjustments in the recent recession, including cuts to staff and compensation, reducing capital investments given a slowdown in growth.

Nevada counties have an institutional framework score of 'Aa' or strong. Revenues are driven by state-shared excise taxes governed by a legislative formula, and property taxes may be adjusted by management subject to statutory overlapping tax rate limits. Expenditures are predictable and management has the ability to make significant spending adjustments.

KEY STATISTICS

- Full value of tax base, 2015: $179.7 billion

- Full value per capita: $86,827

- Median family income, 2012 American Community Survey: 96.6% of U.S.

- Available operating reserves, FY2014: 27.8% of revenues

- 5-year change in available operating reserves, FY2009-14: -7.4%

- Available net cash, FY2014: 32% of operating revenues

- 5-year change in available net cash, FY2009-14: -5.1%

- Institutional framework: Aa

- 5-year average of operating revenues to expenditures, FY2010-14: 0.98 times

- Net direct debt to full value: 1.5%

- Net direct debt to operating revenues: 1.4 times

- 3-year average of Moody's ANPL to full value, FY2011-13: 3.2%

- 3-year average of Moody's ANPL to operating revenues, FY2011-13: 3.0 times

OBLIGOR PROFILE

Clark County is located in southern Nevada (Aa2 stable) and includes the Las Vegas metro area. The county is the economic center of the state and its nearly 2.1 million residents represent approximately three-quarters of the state's population.

LEGAL SECURITY

The current offering is secured by the county's full faith and credit pledge, subject to Nevada's constitutional and statutory limitations on overlapping levy rates for ad valorem taxes. The bonds are additionally secured by net revenues of LVCVA, which are the primary source of repayment.

USE OF PROCEEDS

Proceeds will refinance several outstanding obligations, including: (a) a portion of LVCVA's outstanding Subordinate Revenue Bonds, Series 2014A; (b) certain maturities of LVCVA's Revenue Refunding Bonds, Series 2005; and (c) certain maturities of Clark County's General Obligation (Limited Tax) Las Vegas Convention and Visitors Authority Refunding Bonds (Additionally Secured with Pledged Revenues), Series 2007.

RATING METHODOLOGIES

The principal methodology used in the general obligation rating was US Local Government General Obligation Debt published in January 2014. The principal methodology used in the lease-backed rating was The Fundamentals of Credit Analysis for Lease-Backed Municipal Obligations published in December 2011. Please see the Credit Policy page on www.moodys.com for copies of these methodologies.

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Summary:

Clark County, Nevada; Appropriations; General Obligation

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Summary:
Clark County, Nevada; Appropriations; General Obligation

Credit Profile		
US$182.425 mil ltd tax GO bnds (Las Vegas Convention & Visitors Auth) ser 2015A due 07/01/2041		
Long Term Rating	AA/Stable	New
Clark Cnty GO		
Long Term Rating	AA/Stable	Affirmed

Rationale

Standard & Poor's Ratings Services assigned its 'AA' long-term rating and stable outlook to Clark County, Nev.'s series 2015A limited-tax general obligation (GO) refunding bonds, issued for Las Vegas Convention & Visitors Authority.

At the same time, Standard & Poor's affirmed its 'AA' long-term rating and underlying rating (SPUR), with a stable outlook, on the county's existing GO debt, issued either by Clark County or on its behalf.

Standard & Poor's also affirmed its 'AA-' long-term rating, with a stable outlook, on Pima County Industrial Development Authority, Ariz.'s lease revenue debt, supported by the county.

The series 2015A bonds are a GO of the county, ultimately secured by its full-faith-and-credit-property-tax pledge, subject to a statutory limit on overlapping debt of $3.64 per $100 of assessed value (AV). Officials plan to use 2015A bond proceeds to refund a portion of the county's series 2007 refunding bonds and the authority's series 2005 bonds for cost savings. Before the refunding, only pledged revenue that did not include the county's full-faith-and-credit-property-tax pledge secured the authority's series 2005 bonds. Officials also plan to use between $110 million and $120 million of bond proceeds to repay a portion of a $187 million advance drawn on a $275 million nonrevolving credit facility the authority entered into to fund property acquisition and capital projects that are part of a long-range plan for the Las Vegas Global Business District. We understand that authority officials have not yet finalized plans to draw on the estimated $88 million remaining under the credit facility and that they do not currently plan to issue additional parity bonds in 2015.

Pledged revenue provides additional security to the series 2015A bonds. Pledged revenue includes proceeds from hotel room taxes levied in Clark County and cities within the county, including Las Vegas, and net operating revenue from various authority facilities, including Las Vegas Convention Center, Cashman Center, and other recreational facilities under the authority's jurisdiction. The county and cities within the county deduct a collection cost charge, capped at 10% of collections, from hotel room taxes. The proposed bonds have a lien on pledged revenue, and they are on parity with $600 million of GO- and revenue-secured obligations outstanding and senior to amounts drawn on the $275 million credit facility. Maximum annual debt service coverage (DSC) for senior revenue- and GO-secured bonds, including DSC on the proposed 2015A bonds, is, in our opinion, strong. Maximum annual DSC was 3.3x in fiscal 2014, and it is 3.17x for fiscal 2015 based on budgeted pledged revenue. Annual DSC is, in our view, strong, fluctuating between 3.3x and 4.7x over the past five audited fiscal years. Even though pledged revenue has improved with the stabilization of Las Vegas' economic and tourism indicators, annual debt service costs have increased, partially nullifying corresponding revenue increases. After decreasing by 30% between fiscal years 2008 and 2010 to $154 million, room taxes have increased in each subsequent fiscal year to $223 million in fiscal 2014. Authority officials estimate room taxes will increase by an additional 3% to $229.6 million in fiscal 2015.

The rating on the lease revenue bonds reflects our opinion of the county's agreement to budget and appropriate lease payments throughout the lease term, coupled with the annual appropriation risk inherent in the financing structure.

The GO debt rating further reflects our opinion of the county's:

- Adequate, sizable, and steadily recovering regional economy with AV growth and steadily decreasing unemployment;
- Very strong management with "strong" financial management policies and procedures under our Financial Management Assessment (FMA) methodology, which have remained in place despite economic volatility;
- Very strong budgetary flexibility with fiscal 2014 audited available general fund reserves at 16% of operating expenditures and transfers out;
- Adequate budgetary performance despite a reliance on somewhat cyclical revenue;
- Very strong liquidity, providing very strong cash to cover debt service and expenditures;
- Adequate debt and contingent liability profile since a significant portion of county debt is self-supporting or additionally secured by sales or consolidated taxes; and
- Strong Institutional Framework.

Adequate economy

We consider Clark County's steadily improving economy adequate. The county's population has been relatively stable; it grew slowly over the past few years to an estimated 2.03 million in 2013. In addition, several economic indicators critical to the county's economy -- including room rates, visitor volume, passenger counts, gaming revenue, and foreclosures -- continue to improve. The county is in the Las Vegas-Henderson-Paradise metropolitan statistical area, which we consider broad and diverse; we, however, note employment concentration in the leisure and hospitality sector somewhat offsets this factor. Unemployment has steadily decreased, but it remains above average; after peaking at 14.1% in 2010, unemployment decreased to 10% in 2013 and 6.9% in December 2014. Projected per capita effective buying income is 90% of the national average.

After decreasing by half between fiscal years 2009 and 2013, AV continues to rebound, supported by notable foreclosure decreases, home price stabilization, and broad economic improvement. AV increased by 1.9% in fiscal 2014, and AV has grown by a more-significant 13.9% to $62.9 billion in fiscal 2015; officials expect additional AV growth for fiscal 2016, albeit at a slightly lower rate than fiscal 2015. The $180 billion estimated fiscal 2015 full market value translates to, in our view, a strong $88,461 per capita. The property tax base is diverse with the 10 leading taxpayers accounting for 16.2% of AV. Caesars Entertainment Corp. -- the county's third leading taxpayer, accounting for 2.5% of AV on its own -- filed a bankruptcy petition on Jan. 15, 2015. According to county and authority officials, while the effect of the bankruptcy filing on property and room taxes is currently unclear, they are closely monitoring the situation. To date, the bankruptcy filing has not had an effect on the county's property tax base or overall finances.

Very strong management

We view the county's management conditions as very strong with "strong" financial management policies and procedures under our FMA methodology, which have remained in place despite recent economic and financial challenges. An FMA of "strong" indicates practices are strong, well embedded, and likely sustainable. The county's board of commissioners has adopted thorough policies that govern reserve maintenance, expenditure growth, cash and investment practices, and debt and derivative use. While management intends to maintain reserves at no less than 8% of expenditures, as mandated by its policy, it prefers to keep reserves in excess of the 10% target it has adhered to historically. Although available reserves have fluctuated, we believe officials have generally succeeded in mitigating the financial effects of the somewhat more-volatile revenue on the county, subject to volatility during periods of economic weakness.

Very strong budget flexibility

In our opinion, budgetary flexibility is very strong with available, assigned, and unassigned general fund reserves exceeding 15% of expenditures and recurring transfers out for the past three audited fiscal years through fiscal 2014. Consistent with, what we regard as, the county's conservative budget practices, the amended fiscal 2015 budget shows available general fund reserves decreasing to an estimated $187 million, or 11.6% of budgeted expenditures and transfers out. Similar to previous years, however, officials expect to realize positive revenue and expenditure variances; with the availability of reserves outside the general fund, we believe overall budget flexibility will likely remain very strong.

Since adopting Governmental Accounting Standards Board (GASB) Statement No. 54 reporting requirements, the county continues to budget the general fund separately from various special revenue funds. Audited financial statements show the county closed fiscal 2014 on June 30 with $238 million of available reserves, or, in our view, a very strong 16.4% of operating expenditures and transfers out. Transfers out of the general fund are typically large, including allocations for detention, metropolitan police, and capital projects.

Adequate budgetary performance

In our opinion, despite prolonged revenue decreases, county officials have prudently managed operations and expenditures, contributing to stable financial operations and adequate overall budgetary performance. After accounting for nonrecurring items, including $80 million of general funds transferred into the county capital projects fund, officials reported a 3% general fund surplus and mostly break-even operations across all governmental funds in fiscal 2014.

In accordance with GASB No. 54, the amended fiscal 2015 general fund budget of $1.6 billion, after transfers, indicates operating expenditures and net transfers exceed revenue by $51 million; we, however, recognize $37.5 million of the expected deficit is due to nonrecurring expenses associated with Medicaid expansion under the Affordable Care Act. Excluding nonrecurring items, management budgeted expenditures and net transfers to exceed revenue by just $14.5 million, or roughly 1% of expenditures.

According to the amended fiscal 2015 budget, county officials expect general fund revenue to remain level with actual fiscal 2014 revenue while recurring expenditures increase by 4% over fiscal 2014 expenditures. The fiscal 2015 budget has consolidated taxes budgeted at $309 million, which equals actual fiscal 2014 collections and, in our opinion, a conservative estimate since fiscal 2015 collections have, to date, outpaced fiscal 2014 collections by roughly 6%. In terms of the general fund's exposure to economic cyclicality, property taxes generated 28% of general fund revenue in fiscal 2013, down from 38% in fiscal 2009.

In the past, property tax revenue decreased by, what we view as, more-modest levels compared to decreased AV due to the Abatement Act signed in 2005. Conversely, with AV increases, the Abatement Act limits property tax revenue growth to approximately 3% annually on existing property. Property tax revenue decreased by 7.4% in fiscal 2013 and 1.6% in fiscal 2014. With AV growth, however, the fiscal 2015 budget has property tax revenue increasing by 4.2%. In addition, Clark County has exposure to state-allocated consolidated taxes, including sales, cigarette, liquor, government services, and real estate property transfer taxes. After bottoming out at 26% of general fund revenue in fiscal 2010, consolidated tax revenue has improved: It generated 33% of general fund revenue in fiscal years 2013 and 2014; the fiscal 2015 budget has this revenue stream increasing slightly to 34%.

Very strong liquidity

Supporting the county's finances is liquidity we consider very strong with available cash of 82% of total governmental fund expenditures and more than 100% of fiscal 2014 debt service. We believe the county has exceptional access to external liquidity since it has issued bonds frequently during the past 15 years, including GO, revenue, and sales tax bonds.

Adequate debt and contingent liability profile

Although a significant portion of county debt is self-supporting or additionally secured by sales or consolidated taxes, we consider the county's debt and contingent liability profile adequate with debt service of 7.3% of total governmental fund expenditures and net direct debt of 75% of total governmental fund revenue. We believe the county's debt profile has improved due to recently implemented rate increases and infrastructure surcharges to support debt service on $1.2 billion of bonds issued through the county's bond bank program. We consider GO principal debt amortization average with officials planning to retire an estimated 35% over 10 years, 70% over 20 years, and 100% over 30 years.

We note the county's debt portfolio also includes $24.6 million of fixed-rate, directly placed GO public safety refunding bonds and an aggregate $83.8 million of fixed-rate, directly placed GO refunding bonds, additionally secured by pledged revenue. County officials issued each of the five series of refunding bonds in 2014, and we understand there are no provisions in the bonds' agreements that permit acceleration or payment prioritization to holders of the direct-purchase debt. We understand the county does not have any general-fund-related variable-rate debt. County officials have not formalized any additional debt plans.

Clark County participates in the Nevada Public Employees' Retirement System; it has historically made 100% of the annual required contribution. A total of $328 million of contributions for fiscal 2014 translates to, what we consider, a moderate 14% of governmental expenditures. We, however, note related entities, the expenditures of which are not accounted for as part of the county's governmental expenditures, fund a portion of these contributions. Clark County and its component units provide other postemployment benefits (OPEB) to retirees through five benefit plans, and the county addresses these OPEB costs through pay-as-you-go financing. In fiscal 2014, OPEB-related expenses were $20.3 million, or less than 1% of all governmental expenditures. Actuarial studies for all of the county's OPEB plans show the county has minimally funded its $980 million actuarial accrued liability. We note the unfunded liability is down from more than $1.3 billion since the county has implemented changes to its retiree subsidy structure. In addition, the county established a separate trust fund in fiscal 2014; we understand management funds this trust with reserves previously set aside in internal service funds specifically for OPEB and related expenses.

Strong Institutional Framework

We consider the Institutional Framework score for Nevada counties strong.

Outlook

The stable outlook reflects Standard & Poor's opinion that county officials will likely continue to manage general fund operations, adjusting the budget as needed to maintain strong reserves over the next two fiscal years. If economic measures were to continue to improve steadily, supported by stable and strong-to-very-strong financial measures, and if overall debt ratios were to decrease steadily, we could raise the ratings over the two-year outlook period. Conversely, although many indicators continue to stabilize and improve, if the county were to experience a second significant economic downturn, causing AV and corresponding tax revenue to contract and potentially pressure financial performance and budgetary flexibility, we could lower the ratings.

Related Criteria And Research

Related Criteria

- USPF Criteria: Local Government GO Ratings Methodology And Assumptions, Sept. 12, 2013
- USPF Criteria: Appropriation-Backed Obligations, June 13, 2007

Related Research

- S&P Public Finance Local GO Criteria: How We Adjust Data For Analytic Consistency, Sept. 12, 2013
- Institutional Framework Overview: Nevada Local Governments

Ratings Detail (As Of February 24, 2015)		
Clark Cnty GO bnds (Las Vegas Convention & Visitors Auth) ser 2014 due 07/01/2043		
Long Term Rating	AA/Stable	Affirmed
Clark Cnty GO ltd tax bnds (Taxable Direct Pay Babs Flood Control Bnds) ser 2009B		
Long Term Rating	AA/Stable	Affirmed
Clark Cnty GO rfdg bnds ser 2009A		
Long Term Rating	AA/Stable	Affirmed
Clark Cnty GO Lmtd Tax ser 2008		
Long Term Rating	AA/Stable	Affirmed
Clark Cnty GO (wrap of insured) (AMBAC & BHAC) (SEC MKT)		
Unenhanced Rating	AA(SPUR)/Stable	Affirmed
Clark Cnty GO (Lmtd Tax) Arpt Bnds		
Long Term Rating	AA/A-1+/Stable	Affirmed
Clark Cnty GO (Ltd Tax) bnd bnk rfdg bnds ser 2009		
Long Term Rating	AA/Stable	Affirmed

Ratings Detail (As Of February 24, 2015) (cont.)		
Clark Cnty Lmtd Tax GO bnds (Bond Bank Bonds) ser 2008		
Long Term Rating	AA/Stable	Affirmed
Clark Cnty Local Improv bnds (Dist No. 127, 134, 140, 145)		
Long Term Rating	AA/Stable	Affirmed
Clark Cnty Local Imp bnds (Special Improvement Dist No. 112) ser 2008		
Long Term Rating	AA/Stable	Affirmed
Clark Cnty go		
Unenhanced Rating	AA(SPUR)/Stable	Affirmed
Clark Cnty GO		
Unenhanced Rating	AA(SPUR)/Stable	Affirmed
Clark Cnty District Nos. 135 and 144C, Nevada		
Clark Cnty, Nevada		
Clark Cnty District Nos. 135 and 144C Local Improv bnds (Clark Cnty) ser 2009		
Long Term Rating	AA/Stable	Affirmed
Las Vegas Convention & Visitors Auth, Nevada		
Clark Cnty, Nevada		
Las Vegas Convention & Visitors Auth (Clark Cnty) GO		
Long Term Rating	AA/Stable	Affirmed
Las Vegas Convention & Visitors Auth (Clark Cnty) GO (ltd tax) LV Conv & Vis Auth transp bnds (BABs)		
Long Term Rating	AA/Stable	Affirmed
Pima Cnty Indl Dev Auth, Arizona		
Clark Cnty, Nevada		
Pima Cnty Indl Dev Auth (Clark County) lse rev bnds (Clark Cnty Detention Fac Project) ser 2008		
Long Term Rating	AA-/Stable	Affirmed

Many issues are enhanced by bond insurance.

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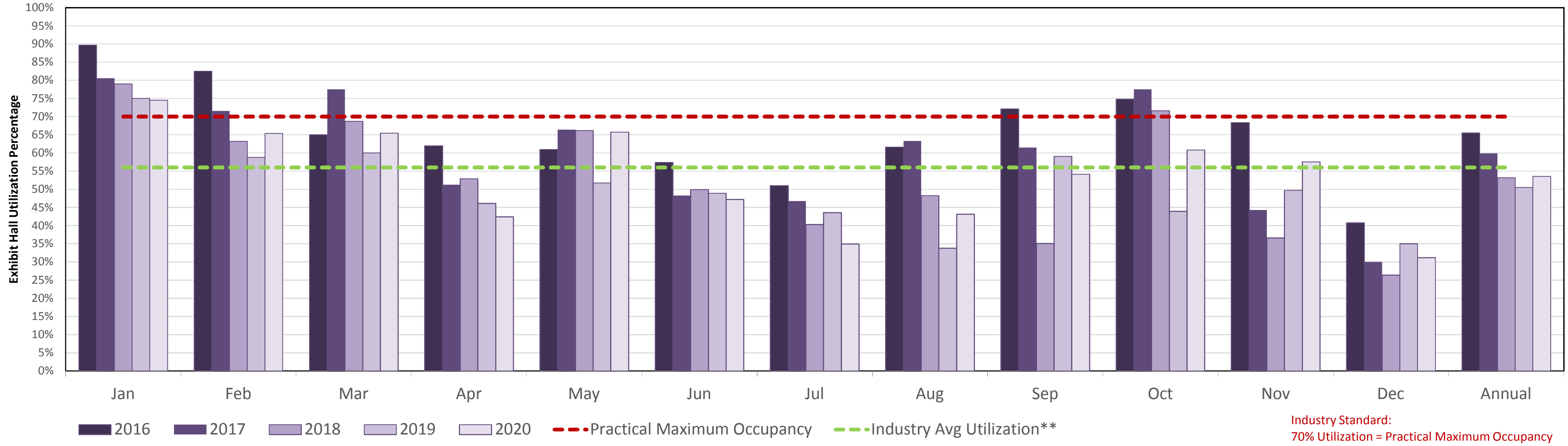
MONTHLY UTILIZATION GROUPED BY YEAR

as of January 25, 2016

BLENDED FACILITY UTILIZATION OUTLOOK OF LVCC, SANDS EXPO & MBCC

(Reflects exhibit hall utilization only; does not include utilization of other meeting or ballroom space)



*** Industry average based on 2014 PWC Convention Center Report: averages of "Gateway" Markets (i.e., those cities with >30,000 hotel rooms and conv ctrs larger than 500,000 sf).*

NOTES:

The above chart is a snapshot of exhibit hall utilization as of the date indicated and may not reflect subsequent bookings.

Resort convention facilities generally follow different business models than standalone convention centers like the LVCC.

With the amenities and revenue centers of their adjacent resorts, the Sands Expo and MBCC target a broad mix of corporate, association and various other types of meetings who may not utilize exhibit space, while the LVCC pursues a narrower mix of conventions, primarily association tradeshows, that require significant exhibit hall space.

Exhibit hall utilization may reflect only a partial picture of business activity.

For the LVCC, exhibit hall utilization reflects a larger representation of business activity while meeting/ballroom space utilization (not depicted here) can represent significant business at integrated resorts such as as the Sands/Venetian/Palazzo and Mandalay Bay.

70% utilization is viewed as the effective "practical maximum" occupancy within the convention center industry due to "unsellable" days such as short windows of non-consecutive days, weekends, holidays, etc.

Since most major tradeshows require 8 to 10 consecutive days for setup, show days and teardown, shorter windows of availability between shows can emerge that are not useable for major tradeshow needs.

Due to high leisure demand on weekends in the destination, tradeshows seeking weekend show days are generally not pursued.

Lower utilization in Summer months and during the Winter holiday season mirrors seasonality of the national tradeshow industry.

LAS VEGAS
CONVENTION AND VISITORS AUTHORITY

APRIL 2015
ECONOMIC IMPACT SERIES BRIEF

THE FISCAL IMPACT OF SOUTHERN NEVADA TOURISM:
THE INDUSTRY'S CONTRIBUTION TO MAJOR PUBLIC REVENUES

2014 UPDATE

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APPLIED ANALYSIS

EXECUTIVE SUMMARY

Applied Analysis was retained by the Las Vegas Convention and Visitors Authority (the “LVCVA”) to review and analyze the economic impacts associated with its various operations and southern Nevada’s tourism industry more generally. This brief is specific to the fiscal impacts associated with the southern Nevada tourism industry, with a focus on the industry’s contribution to major public revenues including but not limited to sales, property, gaming-related and live entertainment taxes.

- **Nearly 1 in 4 dollars subject to sales and use tax in Clark County is spent by a visitor.** Southern Nevada visitors spent more than $8 billion in 2014 on purchases that were subject to Nevada’s retail sales and use tax, including spending at restaurants, drinking establishments and retail shops. With Clark County reporting $35 billion in taxable retail sales in fiscal year 2014, an estimated 24 percent of receipts were attributable to visitor spending.

- **Hotels and hotel-casinos account for just 2.5 percent of improved nonresidential acreage in Clark County, but 35.5 percent of taxable value and estimated tax liability.** Including residential land uses, hotels and hotel-casinos account for just 1.4 percent of total acreage but 12.7 percent of taxable value (excluding vacant land). Gaming operators account for eight of the top ten highest assessed taxpayers in Clark County and nearly $215 million in estimated annual ad valorem (property) tax liability.

- **Gaming companies in Nevada generated more than $1.5 billion in gaming and hospitality industry-specific taxes in fiscal year 2014.** Statewide, these taxes included gross gaming revenue percentage fees ($682 million), transient lodging taxes ($621 million), entertainment taxes ($139 million) and a number of smaller gaming taxes and fees. Approximately 89 percent of these industry-specific taxes originated in Clark County. Notably, 91 percent of transient lodging tax and 97 percent of live entertainment tax reported statewide was generated in Clark County.

- **In addition to industry-specific taxes, hotels and hotel-casinos pay all taxes that are imposed on businesses generally.** For example, Nevada’s modified business tax (MBT) generated approximately $385 million last year, and as the state’s largest employer, the tourism industry accounted for an estimated $80 million in MBT payments. Other taxes incurred or generated by the resort industry include the state’s liquor and cigarette taxes, franchise fees and sales taxes on materials purchases made in connection with new developments in the resort sector, refurbishments or renovations.

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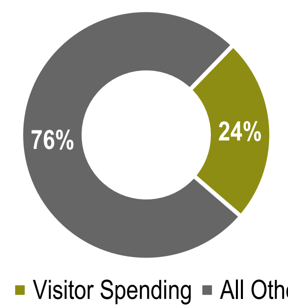
SALES TAX ATTRIBUTABLE TO VISITORS

During 2014, southern Nevada visitors spent an estimated $29.8 billion on lodging, food and beverages, local transportation and shopping.[1] Lodging is subject to transient lodging tax (room tax) while food and beverage and shopping purchases are generally subject to sales tax. That said, not all general expenditures are subject to the state's retail sales and use tax, which is applied only to the sale of tangible personal property (goods) purchased for use or consumption.[2] Nevada's sales tax also has some notable exemptions; for example, food purchased for home consumption is exempt (e.g., most food purchased at the grocery store). While this analysis assumes that relatively few visitors purchased food that they intended to prepare themselves, assuming that 100 percent of visitor food and beverage expenditures are taxable would be overly aggressive. Thus, for purposes of this analysis, we conservatively assume that 90 percent of visitors' "eating and drinking" expenditures are taxable and 85 percent of visitors' "shopping" expenditures are taxable.[3]

In total, approximately $8.4 billion in visitor expenditures in 2014 are assumed to be subject to Nevada's retail sales and use tax. During fiscal year 2014, Clark County reported $35.0 billion in taxable retail sales, suggesting that 24.1 percent of its taxable retail sales receipts were attributable to visitors in southern Nevada. During this same period, Nevada reported $47.4 billion in taxable retail sales, suggesting that 17.8 percent of statewide taxable retail sales are attributable to southern Nevada visitors.

Exhibit 1
Sources of Clark County Sales and Use Tax, FY 2014



Southern Nevada Visitors Directly Generate:

- 24% of Clark County Sales and Use Tax
- 18% of Statewide Sales and Use Tax

Exhibit 2
Las Vegas Visitor Spending Profile

Category	Adjusted Visitor Spending: Per Visit	Adjusted Visitor Spending: Annual Total	Amount Subject to Sales Tax
Room	$110	$4,507,636,080	*[See transient lodging tax]*
Food & Beverage	$87	$3,558,875,337	$3,202,987,803
Local Transportation	$69	$2,830,737,821	
Shopping	$150	$6,159,517,702	$5,235,590,047
Entertainment	$48	$1,955,976,911	*[See live entertainment tax]*
Sightseeing	$14	$583,585,205	
Gaming	$184	$7,566,900,674	*[See gaming tax]*
Other	$64	$2,624,091,009	
Total: Adjusted	**$724**	**$29,787,320,739**	**$8,438,577,850**

[1] Estimate based on the 2014 Las Vegas Visitor Profile Survey, GLS Research. Refer to the March 2015 brief of this Economic Impact Series for further detail.
[2] NRS Sections 372, 374, 377, 377A, 377B, and 543.600 et seq.
[3] The shopping category is discounted to allow for an estimate of "shopping" expenditures that would not be taxed, such as services (e.g., salon services).

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PROPERTY TAX ATTRIBUTABLE TO HOTELS AND HOTEL-CASINOS

The hotels and hotel-casinos that draw visitors to southern Nevada account for just 2.5 percent of improved nonresidential acreage in Clark County, but 35.5 percent of taxable nonresidential property value. Including residential uses, hotels and hotel-casinos account for 1.4 percent of improved acreage, but 12.7 percent of all taxable value (excluding vacant land). Nevada's property tax has three components: a tax on land, a tax on improvements and a tax on personal property. For taxation purposes, land is assessed at its full cash value, improvements are valued at replacement cost less a depreciation factor of 1.5 percent per year up to 50 years and personal property is valued at replacement cost less an appropriate depreciation factor. Property tax liability is estimated by applying the average countywide tax rate to each $100 of assessed value (35 percent of taxable value); note that the estimated tax liability shown below is not adjusted for potential exemptions or abatements[4] applied to both residential and commercial properties.

Exhibit 3
Clark County Taxable Property Value and Estimated Tax Liability, By Land Use, 2014[5]

Land Use	Acres	Share of Total	Taxable Value	Share of Total	Taxable Value Per Acre	Estimated Tax Liability	Estimated Tax Liability Per Acre
Residential	109,537	42.5%	$111,878,118,420	64.3%	$1,021,376	$1,088,831,396	$9,940
Industrial	13,940	5.4%	$5,610,757,934	3.2%	$402,506	$54,605,579	$3,917
Hotels and Hotel-Casinos	**3,702**	**1.4%**	**$22,051,884,620**	**12.7%**	**$5,956,749**	**$214,615,554**	**$57,973**
Other Commercial Properties	38,945	15.1%	$20,198,687,066	11.6%	$518,646	$196,579,679	$5,048
Non-Profit Community Properties	41,726	16.2%	$10,453,862,771	6.0%	$250,537	$101,740,127	$2,438
Ag, Ranching, Wildlife, Natural Resources	5,206	2.0%	$14,596,237	0.0%	$2,804	$142,055	$27
Transportation, Communication, Utilities	26,116	10.1%	$3,144,379,674	1.8%	$120,402	$30,602,046	$1,172
Minor Improvements	18,371	7.1%	$659,292,151	0.4%	$35,888	$6,416,429	$349
Total*	**257,542**	**100.0%**	**$174,011,578,874**	**100.0%**	**$675,663**	**$1,693,532,865**	**$6,576**

*Excludes vacant land

[4] See, Nevada State Legislature Assembly Bill 489 (2005).
[5] Source: Applied Analysis based on data provided by the Clark County Assessor's Office and the Nevada Department of Taxation. Note that estimated tax liability and estimated tax liability per acre are intended for illustrative purposes only; these estimates do not take into account exemptions in any land use category, or abatements applied to residential (primary residences) or non-primary residential and commercial properties. Such exemptions and abatements would likely reduce the tax liability estimates shown above in varying degrees among various land uses. Variances in tax rate by parcel would also impact the estimated tax liability shown above, which was calculated utilizing the average countywide tax rate and total property tax revenue dollars projected for Clark County per the FY 2013-2014 Redbook published by the Nevada Department of Taxation.

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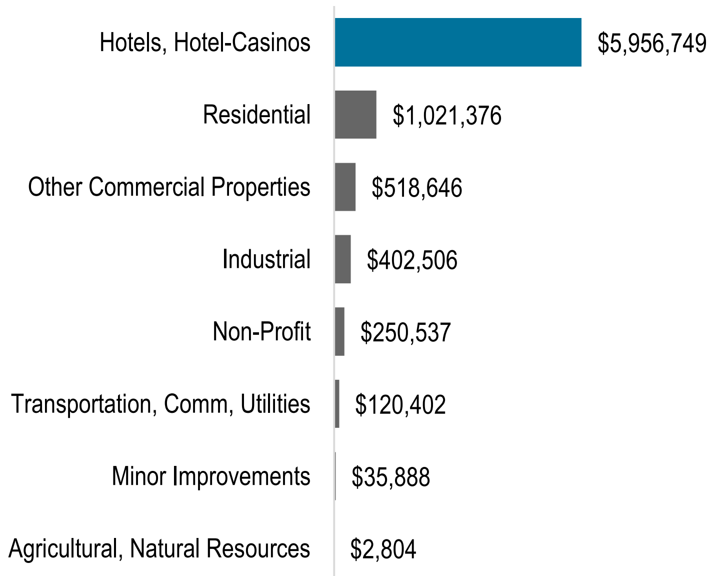
Taxable value per acre of hotel/hotel-casino property is approximately 10 times that of all other land uses ($6.0 million per acre for a hotel/hotel-casino versus an average of approximately $0.6 million for all other land uses (excluding hotels/hotel-casinos)). As significant investments continue to be made in the form of new developments (e.g., Resorts World Las Vegas), renovations and expansions of luxury hotel-casinos and related offerings, the disparity is likely to persist.

Exhibit 4
Clark County Average Taxable Value per Acre, By Land Use, 2014[6]



Hotel and hotel-casino companies continue to make up the majority of Clark County's largest property taxpayers. MGM Resorts International, Caesars Entertainment, Las Vegas Sands, Wynn Resorts, Station Casinos, Nevada Property 1, Boyd Gaming and Hilton Grand Vacations are all directly linked to southern Nevada's tourism industry. NV Energy and Eldorado Energy are the only two companies included in the list of Clark County's ten highest assessed taxpayers that are not a hotel or hotel-casino operator.

Exhibit 5
Clark County Ten Highest Assessed Taxpayers
2014-2015 Secured and Unsecured Tax Rolls[7]

Rank	Taxpayer	Assessed Value
1	**MGM Resorts International**	**$3,164,727,682**
2	NV Energy	1,998,360,277
3	**Caesars Entertainment**	**1,623,779,567**
4	**Las Vegas Sands Corp.**	**997,888,951**
5	**Wynn Resorts Limited**	**853,434,852**
6	**Station Casinos**	**552,630,398**
7	**Nevada Property 1, LLC (Cosmopolitan)**	**373,026,996**
8	**Boyd Gaming Corp.**	**292,763,981**
9	Eldorado Energy, LLC	209,865,386
10	**Hilton Grand Vacations**	**190,040,774**
	Total	$10,256,518,864

[6] Source: Applied Analysis based on data provided by the Clark County Assessor's Office and the Nevada Department of Taxation.

[7] Source: Nevada Department of Taxation, Ten Highest Assessed Taxpayers Statewide and All Counties, 2014-2015 Secured Roll/2013-2014 Unsecured Roll.

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INDUSTRY-SPECIFIC AND OTHER TAXES

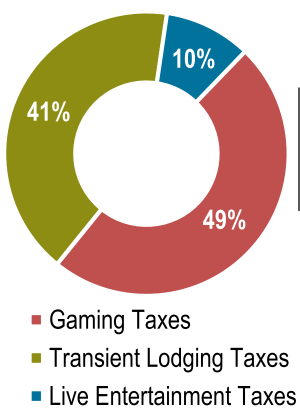
In addition to all taxes, fees and charges imposed on Nevada businesses generally, hotels and hotel-casinos paid or generated approximately $1.5 billion in industry-specific taxes in 2014. Roughly 89 percent, or nearly $1.4 billion, was generated in Clark County. Gaming percentage fees are the largest single levy imposed on hotel-casino operators, but that levy is only one of several taxes, fees and charges imposed specifically on hospitality business purveyors. Beyond the levies outlined on the following page, there are also a number of taxes imposed on the industry by local governments. Calculating the total payments generated by these taxes is difficult because information is collected and reported differently by the various jurisdictions. That said, the summaries that follow (see Exhibits 6 and 7) capture the major gaming and hospitality-related taxes paid by those in the resort industry.

It is beyond the scope of this briefing to analyze and allocate smaller, general business taxes and fees imposed on business and consumption in Nevada. However, it is worth noting that Nevada's modified business tax generated $384.9 million in fiscal year 2014, and as the state's largest employer, the tourism industry accounted for an estimated $80 million in payments. Insurance premium taxes and franchise fees, which generate millions of dollars in revenue each year, are also material.

As visitors account for roughly 17 percent of Nevada's full-time equivalent population, they are – at a minimum – contributing proportionately to the state's liquor and cigarette taxes, which generated a total of $47 million and $90 million, respectively, in fiscal year 2014.

Ongoing hotel development, hotel and room renovations, maintenance and refurbishments also generate sales tax on materials purchases. Engaging in further study to estimate the value of these types of contributions to state and local coffers would only serve to add to the estimates provided in earlier sections of this analysis.

Exhibit 6
Clark County Industry-Specific Fees and Taxes, FY 2014[8]



- Gaming Taxes: $661.6 Million
- Transient Lodging Taxes: $564.9 Million
- Live Entertainment Taxes: $135.0 Million

[8] Sources: Nevada Gaming Control Board; Nevada Department of Taxation; LVCVA Finance Department (Clark County transient lodging tax yield); and Nevada Taxpayers Association's Nevada TaxFacts, 2013-2014 Edition (lodging tax rates).

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Exhibit 7

Industry-Specific Taxes Imposed on Hotels/Hotel-Casinos, FY 2014[9]

Tax or Fee	Common Rate	Yield, Clark County	Clark County Share of State	Yield, Statewide
Gross Gaming Revenue Percentage Fee	3.5 percent for first $50,000 per month; 4.5 percent for next $50,000 to $134,000 per month; 6.75 percent for revenue over $134,000 per month	$591.8	86.7%	$682.3
Transient Lodging Tax	Ranges from 7 to 16 percent statewide; in Clark County, ranges from 9 percent in Boulder City to 13 percent in the Resort Corridor (Las Vegas Strip, Downtown)	$564.9	91.0%	$620.9
Entertainment Tax	10 percent if occupancy is between 200 and 7,500	$135.0	97.0%	$139.2
Annual Slot Tax	$250 per machine per year	$32.6	73.8%	$44.2
Quarterly Non-restricted Slot Tax	$20 per machine per quarter	$9.5	74.4%	$12.8
Quarterly Restricted Slot Tax	$81 per machine/quarter for 1-5 machines; $405 plus $141 per machine in excess of 5 (to 15)/quarter	$6.2	74.5%	$8.3
Quarterly Game Fee	$20,300 plus $25 for each game over 35	$5.1	79.4%	$6.4
Annual Game Fee	$16,000 plus $200 for each game over 16	$2.0	79.2%	$2.5
Other Gaming Collections	Various	$14.4	81.4%	$17.7
Total Collections		**$1,361.5**	**88.7%**	**$1,534.3**

Combined, gross gaming revenue percentage fees and transient lodging taxes generated nearly $1.2 billion in tax revenues in Clark County in fiscal year 2014. Beyond these two major revenue sources, with a yield of $135.0 million in 2014, the live entertainment tax is the third-largest industry-specific tax generated by the hospitality industry, yet it is often over-looked in discussions of the industry's contribution to public revenues. Although both gaming and non-gaming facilities are subject to the live entertainment tax, the gaming industry accounted for 90.3 percent of total live entertainment tax collections in fiscal year 2014.

Of the total $139.2 million in live entertainment tax collected from gaming entities statewide, 97 percent ($135.0 million) was generated in Clark County. Any facility where live entertainment is provided is subject to the tax, with a number of notable exceptions, though the rate varies based on the maximum occupancy of the space. If maximum occupancy is more than 200 and less than 7,500, the tax is imposed at a rate of 10 percent on total sales, including admission, cover or table charges as well as sales of food, beverage and merchandise. If maximum occupancy is 7,500 or more, the rate is 5 percent and is not imposed on food, beverage or merchandise. It is also worth noting that Clark County made up 91 percent of the $620.9 million in transient lodging taxes collected statewide in fiscal year 2014 and nearly 87 percent of the $682.3 million in gross gaming revenue percentage fees.

[9] Ibid.

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METHODOLOGY

General information on taxes, tax rates and historical collection data were obtained from the Nevada Department of Taxation, Nevada Legislative Counsel Bureau, the Nevada Commission on Tourism, the Nevada Gaming Control Board, the Nevada Taxpayers Association, the LVCVA Finance Department, the Clark County Assessor's Office, the Office of the Clark County Treasurer and various local government publications.

Data on visitor estimates and spending was obtained from the Las Vegas Convention and Visitor Authority's Visitor Profile Study prepared by GLS Research. Adjusted visitor spending estimates were developed by AA; refer to the March 2015 brief of this Economic Impact Series for further detail.

ANALYSIS LIMITATIONS

This analysis used the best available data to estimate the share of various major tax payments attributable to the tourism industry, its employees and its patrons. It relies heavily on data reported by third-party data providers; and, although we have no reason to doubt the accuracy of these data, they have not been subjected to any auditing or review procedures by AA.

In some cases data were either incomplete or inconsistent. Efforts were taken to minimize the impacts of these challenges, and we believe the analysis provides a fair and reasonable response to the fundamental question presented.

Finally, it is important to note that this is a preliminary undertaking that will be supplemented by on-going and future analyses. This report is not intended to be comprehensive and may not be appropriate for all purposes.

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APPLIED ANALYSIS

Memorandum

To: Tina Quigley, General Manager of the Regional Transportation Commission of Southern Nevada
From: Jeremy Aguero, Applied Analysis
Date: January 6, 2016
Subject: Analysis of Interstate 15 Traffic and Las Vegas Visitor Volume
CC: Brian Gordon, Applied Analysis; Brian Haynes, Applied Analysis

---

During the December meeting of the Southern Nevada Tourism Infrastructure Committee, you asked about travel trends involving Las Vegas visitors and Interstate 15. This analysis seeks to answer your question as well as provide additional background information on the trends involving visitors from California.

Analysis

The calculations included herein rely on the *2014 Las Vegas Visitor Profile Study* published by the Las Vegas Convention and Visitors Authority. Specifically, the figures used in this analysis are sourced to or calculated from the Airline Visitor Version of the survey (http://www.lvcva.com/includes/content/images/media/docs/2014-LV-VPS-Air-vs-Ground.pdf).

The table below illustrates the high percentage of visitors from California (nine out of 10) who drive to Las Vegas compared to other places of origin.

Las Vegas Visitors By Origin and Transportation Type				
	Air Travelers	% By Air	Ground Travelers	% By Ground
Las Vegas Visitors	17.3 million	42%	23.9 million	58%
United States	13.3 million	40%	20.0 million	60%
Western States	3.6 million	17%	17.9 million	83%
California	**1.2 million**	**9%**	**12.4 million**	**91%**
Southern California	690,900	6%	10.3 million	94%
Northern California	518,200	19%	2.1 million	81%
Arizona	172,700	7%	2.4 million	93%
Other Western States	2.2 million	40%	3.3 million	60%
International*	4.0 million	51%	3.8 million	49%

* International visitors to Las Vegas, particularly those on extended trips to the U.S., frequently enter the country via major airports on the West Coast (e.g., Los Angeles and San Francisco) before traveling to Southern Nevada via car, bus, or other form of ground transportation.

Source: Las Vegas Convention and Visitors Authority

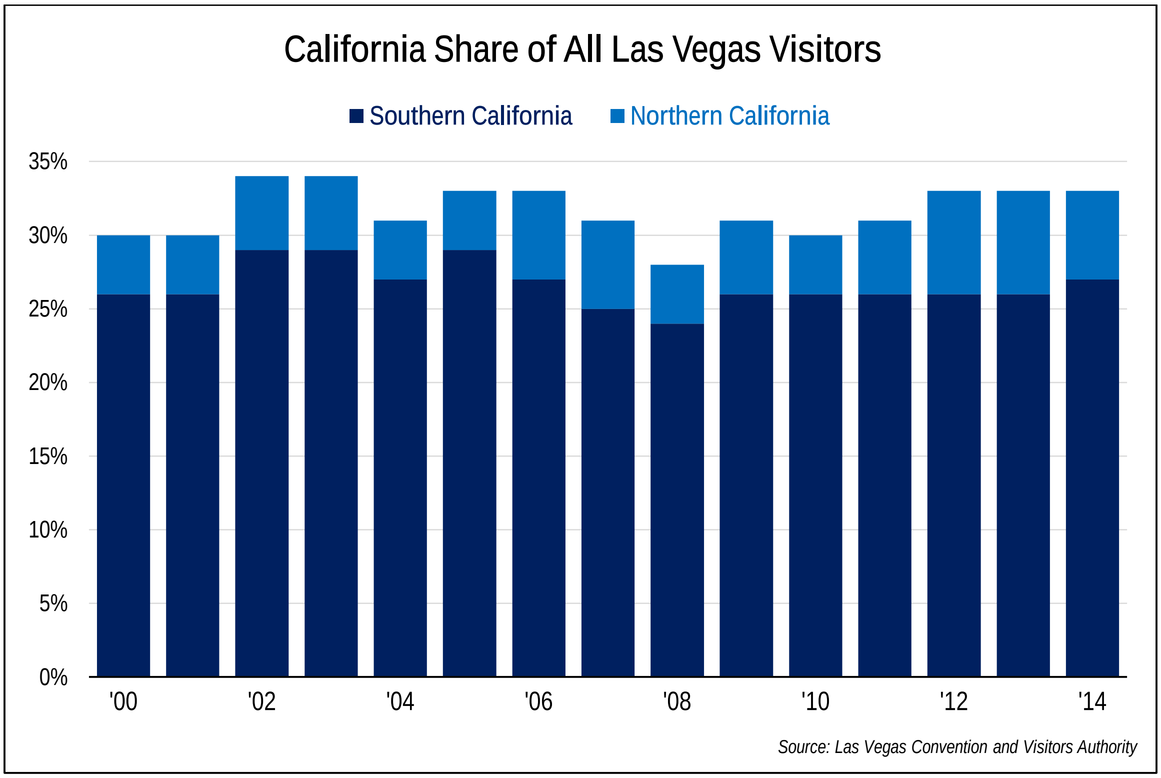
Ground transportation remains a popular mode of travel for visitors heading to Las Vegas, accounting for nearly six out of every 10 visitors. Californians using ground transportation make up 30 percent of all Las Vegas visitors.

Ground Travelers as Share of All Las Vegas Visitors		
	Ground Travelers	% of All Visitors
Las Vegas Visitors	23.9 million	58%
United States	20.0 million	49%
Western States	17.9 million	44%
California	12.4 million	30%
Southern California	10.3 million	25%
Northern California	2.1 million	5%
Arizona	2.4 million	6%
Other Western States	3.3 million	8%
International	3.8 million	9%

Source: Las Vegas Convention and Visitors Authority

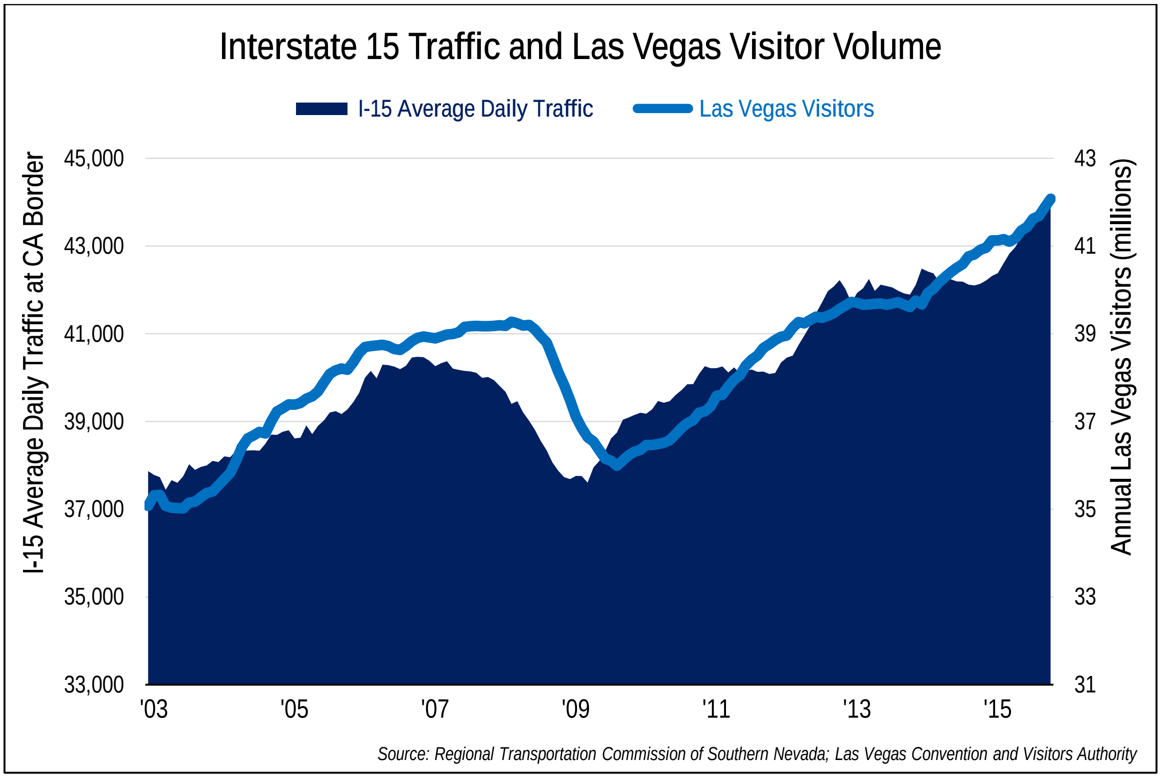
California Visitation Trend

Californians account for a large share of visitors to Las Vegas each year. Since 2000, about a third of all Las Vegas visitors hailed from California, with the majority of them originating in Southern California.



APPLIED ANALYSIS

For more than a decade, there has been a strong correlation between daily traffic volume on Interstate 15 at the California border and Las Vegas visitor volume. The largest divergence in that trend occurred during the economic downturn, when traffic volume on I-15 began to fall earlier than visitor volume. That relationship is illustrated in the graph below.



Summary

- Ground transportation remains the most popular mode of travel for visitors coming to Las Vegas, accounting for nearly six out of every 10 visitors. Ground transportation is popular with both domestic (60 percent) and international (49 percent) visitors.
- Ground transportation is preferred by visitors traveling from nearby Western states, who can reach Las Vegas via Interstate 15, U.S. 95, and U.S. 93. More than 80 percent of visitors from Western states drive rather than fly.
- Visitors from California overwhelmingly prefer ground transportation (91 percent). Californians account for two-thirds of visitors driving in from Western states and half of all visitors using ground transportation.
- Although specific numbers on how many Las Vegas visitors use I-15 are unavailable, drivers from California can be used to provide a reasonable approximation. Under that assumption, the southern leg of I-15 brings roughly 30 percent of visitors to Las Vegas.
- The significant influence of Californians on Las Vegas visitor volume is evident in the strong relationship between daily traffic volume on I-15 and overall visitation trends. The two numbers have climbed and fallen together for the past decade.

January 25, 2016

Commissioner Steve Sisolak
Clark County Government Center
500 S. Grand Central Parkway
Box 551601
Las Vegas, NV 89155-1601

Summary

This letter will describe a proactive enforcement proposal for the Las Vegas Strip and the Fremont Street Experience.

The world famous Las Vegas Strip and Fremont Street Experience hosted over 40 million tourists in 2015. Protecting visitors in Las Vegas is a major factor for the long term viability of Las Vegas as a tourist destination. The threats of crime, disorder and terrorism to visitors are constantly present and the LVMPD, in partnership with other security and law enforcement agencies, work together to keep us safe.

The plan will incorporate both the Real Time Crime Center (RTCC) and uniform foot patrol officers, as well as the cost associated with additional surveillance cameras and support personnel of those cameras.

Current Deployment Plan

Tourist Safety is different than traditional police operations. Addressing crime is still a focus, but officers assigned are also used to protect visitors from disorder and act as a visible deterrent to crime and terrorism. Officers are assigned on various shifts to respond to crimes, request for police assistance and other calls inside the various resorts. On the street they must also address the issues associated with the homeless, street peddlers and street performers. Officers are deployed on foot, on bikes and in cars.

The Convention Center Area Command officers are deployed along the Strip and adjacent streets. The Downtown Area Command officers are deployed on Fremont Street and all neighborhoods in Downtown.

Proposed Strip Deployment Plan

I am proposing that 60 additional police officers, 6 police sergeants and 1 police lieutenant be funded and deployed to the Strip. These resources would provide high visibility by foot, bike and vehicle patrol. The 67 officers would be assigned to the Convention Center Area Command during the evening into the early morning hours on the days of the week with heavy activity and when the major events occur. They would be moved as needed to other times and days based on the activity proposed by "Special Events" in the tourist areas. This plan will also lessen the wait time that the resorts experience when they have suspects in custody or crimes to report.

Additionally, this would allow the deployment of quick response teams to respond to major incidents and take immediate actions to save lives.

The Convention Center Area Command currently has an authorized strength of 156 police officers. This proposal would increase their authorized strength to a total of 223 police officers.

I am also proposing 9 police officers and 1 police sergeant, to supplement our current obligations within the RTCC and to support the 40 additional surveillance cameras requested as part of this proposal. I would also request 1 additional police officer to support and maintain the proposed cameras.

Additional Strip Surveillance Cameras

This proposal includes adding an additional 40 overt cameras along the Las Vegas Strip, which would significantly improve camera coverage along this tourist destination area.

Twenty overt (red and blue lights) surveillance cameras mounted to a fixed object and all associated equipment: $400,000.00

Twenty overt mobile (red and blue lights) surveillance cameras: $1,080,000.00)

Proposed Fremont Street Deployment Plan

I am proposing that 6 additional police officers and 1 police sergeant be funded for deployment along the Fremont Street corridor. These additional resources would be assigned to the Downtown Area Command, and will be dedicated to foot, bike and vehicle patrol along the Fremont Street corridor. This will create a higher visibility of uniformed officers and police vehicle's within this tourist destination area.

The Downtown Area Command currently has an authorized strength of 137 police officers. This proposal would increase their authorized strength of 144 police officers.

Costs For Proposed Deployment Plan

Strip (CCAC, Cameras, TASS Officer)

Initial cost in first year **$13,195,630.60**

Reoccurring costs each year thereafter **$10,862,403.40** (Attachment 1)

Fremont Street

Initial costs in first year **$1,122,670.00**

Reoccurring costs each year thereafter **$974,399.00** (Attachment 2)

Conclusion

Our current deployment along the Strip and Fremont Street has proven to be insufficient when addressing our public safety concerns. An example being at any one time along the 4 ½ miles of Las Vegas Blvd. (Strip), the Convention Center Area Command averages 18 police officers per shift dedicated to the Strip.

The Fremont Street Experience is also lacking with insufficient police resources, due to the fact that officers cannot be permanently assigned. The police officers are assigned to the Downtown Area Command, which also services the surrounding neighborhoods.

This plan will provide our community a visible and proactive presence that replicates the deployment by other major cities in tourist areas.

Thank you for your consideration of this proposal.

Respectfully,

Joseph Lombardo, Sheriff

Attachments

1. Resort Corridor Additional Security Estimated Costing (Strip)
2. Resort Corridor Additional Security Estimated Costing (Downtown)

Resort Corridor Additional Security Estimated Costing
Final Model Strip*

Strip Officer Requirements Item	Units	Unit Cost	Total Cost	Annual Recurring
Police Officers (Average Patrol Salary and Benefit Costs)	70	$ 125,506	$ 8,785,420	$ 8,785,420
Police Sgts (Average Patrol Salary and Benefit Costs)	7	165,448	1,158,136	1,158,136
Police Lts (Average Patrol Salary and Benefit Costs)	1	208,331	208,331	208,331
R&M Vehicles			22,209	22,209
Police Equipment			12,398	12,398
Wearing Apparel			7,075	7,075
Fuel			48,790	48,790
Body Camera License	78	471	36,738	36,738
EMRB - per position	78	7	546	109
Radio Battery - 2 per officer	78	160	12,480	2,496
Body Camera	78	500	39,000	7,800
Speaker/Lapel Microphone	78	96	7,488	1,498
Radios - Portable plus charger	78	5,650	440,700	88,140
Radios - Mobile (1 per 4 positions)	20	5,150	103,000	20,600
Lightbar per vehicle (1 per 4 positions)	20	4,800	96,000	19,200
Vehicle Equipment (1 per 4 positions)	20	1,980	39,600	7,920
Tablet (1 per 4 positions)	20	2,405	48,100	9,620
Warranty for Tablet (1 per 4 positions)	20	500	10,000	2,000
Dock for Tablet (1 per 4 positions)	20	1,248	24,960	4,992
FOBs-SafeNet eToken & Authentication	20	41	820	164
Software for Toughbook (1 per 4 positions)	20	692	13,840	2,768
B&W patrol vehicle (1 per 4 positions)	20	30,000	600,000	120,000
Total Personnel Strip			**$ 11,715,631**	**$ 10,566,403**
20 Overt Cameras-Fixed			400,000.00	80,000.00
20 Over Cameras-Mobile			1,080,000.00	216,000.00
Total Equipment			**1,480,000.00**	**296,000.00**
Total All Strip			**$ 13,195,630.60**	**$ 10,862,403.40**

*Represents 60 POs, 6 Sgts, and 1 Lt for CCAC; 9 RTCC Officers and 1 Sgt for RTCC; and 1 PO for TASS

Attachment #1

Resort Corridor Additional Security Estimated Costing

Final Model Downtown

Downtown Officer Requirements Item	Units	Unit Cost	Total Cost	Annual Recurring
Police Officers (Average Patrol Salary and Benefit Costs)	6	$ 125,506	$ 753,036	$ 753,036
Police Sgts (Average Patrol Salary and Benefit Costs)	1	165,448	165,448	165,448
R&M Vehicles			3,817	3,817
Police Equipment			2,131	2,131
Wearing Apparel			1,216	1,216
Fuel			8,386	8,386
Body Camera License	7	471	3,297	3,297
EMRB - per position	7	7	49	10
Radio Battery - 2 per officer	7	160	1,120	224
Body Camera	7	500	3,500	700
Speaker/Lapel Microphone	7	96	672	134
Radios - Portable plus charger	7	5,650	39,550	7,910
Radios - Mobile (1 per 4 positions)	3	5,150	15,450	3,090
Lightbar per vehicle (1 per 4 positions)	3	4,800	14,400	2,880
Vehicle Equipment (1 per 4 positions)	3	1,980	5,940	1,188
Tablet (1 per 4 positions)	3	2,405	7,215	1,443
Warranty for Tablet (1 per 4 positions)	3	500	1,500	300
Dock for Tablet (1 per 4 positions)	3	1,248	3,744	749
FOBs-SafeNet eToken & Authentication	3	41	123	25
Software for Toughbook (1 per 4 positions)	3	692	2,076	415
B&W patrol vehicle (1 per 4 positions)	3	30,000	90,000	18,000
Total Personnel Downtown			**$ 1,122,670**	**$ 974,399**

Attachment #2

SOUTHERN NEVADA
Tourism Infrastructure Committee

MEETING AGENDA

February 25, 2016
9:00 a.m.

Main Location:
UNLV Foundations Building
Blasco Event Wing
4505 S. Maryland Pkwy.
Las Vegas, NV 89154

	1.	**Call to Order, Roll Call and Establish Quorum**
	2.	**Public Comment**
For Possible Action	**3.**	**Acceptance of Minutes from January 28, 2016**
	4.	**Chairman/Committee Comments**
	5.	**Research Staff Report**
	6.	**Committee Workshop on Convention Centers**
	7.	**March Meeting Preview**
	8.	**Committee Member Comments**
	9.	**Public Comment**
For Possible Action	**10.**	**Adjournment**

NOTE (1) THIS AGENDA HAS BEEN POSTED NO LATER THAN THREE WORKING DAYS PRIOR TO THE MEETING AT THE FOLLOWING LOCATIONS:

a. GOED, 808 W. Nye Ln, Carson City, NV
b. Sawyer Building, 555 E. Washington Avenue, Las Vegas, NV
c. Nevada State Library, 100 N. Stewart St., Carson City, NV
d. Nevada State Capitol, 101 S. Carson Street, Carson City, NV
e. LVGEA, 6720 Via Austi Parkway., Suite 130, Las Vegas, NV
f. City of Las Vegas, City Hall, 400 East Stewart Avenue, Las Vegas, NV
g. City of North Las Vegas, City Hall, 2250 N. Las Vegas Boulevard, North Las Vegas, NV

h. Clark County Government Center, 500 S. Grand Central Parkway, Las Vegas, NV
i. City of Boulder, City Hall, 401 California Avenue, Boulder City, NV
j. City of Henderson, City Hall, 240 Water Street, Henderson, NV
k. City of Mesquite, City Hall, 10 E. Mesquite Boulevard, Mesquite, NV
l. Lincoln County Regional Development Authority, P.O. Box 1006, Caliente, NV
m. Nye County Regional Economic Development Authority, P.O. Box 822, Pahrump, NV
n. GOED website www.diversifynevada.com
o. Nevada Public Notice website http://notice.nv.gov

NOTE (2) Persons with disabilities who require special accommodations or assistance at the meeting should notify Wendy Pope, Governor's Office of Economic Development, 555 E. Washington Ave., Suite 5400, Las Vegas, Nevada 89101 or by calling 702-486-2700 on or before the close of business two business days prior to the meeting date.

NOTE (3) The Committee reserves the right to take items in a different order, combine items for consideration and/or pull or remove items from the agenda at any time to accomplish business in the most efficient manner.

NOTE (4) All comments will be limited to 3 minutes per speaker. Comment based on viewpoint may not be restricted. No action may be taken upon a matter raised under the public comment period unless the matter itself has been specifically included on an agenda as an action item. Prior to the commencement and conclusion of a contested case or quasi-judicial proceeding that may affect the due process of individuals, the Committee may refuse to consider public comment. See NRS 233b.126.

NOTE (5) For supporting material please contact Wendy Pope, 555 E. Washington Avenue, Suite 5400, Las Vegas, Nevada 89101, (702) 486-2700, wpope@diversifynevada.com. Materials may be obtained at the following public locations: Governor's Office of Economic Development, 555 E. Washington Avenue, Suite 5400, Las Vegas, Nevada 89101 or Governor's Office of Economic Development, 808 W. Nye Lane, Carson City, Nevada 89703.

SOUTHERN NEVADA TOURISM INFRASTRUCTURE
COMMITTEE MEETING
January 28, 2016

The meeting of the Southern Nevada Tourism Infrastructure Committee was called to order by Chairman Hill at 9:08 a.m. in the Blasco Event Wing located in the Foundations Building 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. Bill Noonan, Senior Vice President of Boyd Gaming
Mr. William Hornbuckle, President of MGM Resorts International
Mr. George Markantonis, President and COO of The Venetian and The Palazzo
Mr. Mike Sloan, Senior Vice President of Station Casinos
Mr. Tom Jenkin, Global President of Caesars Entertainment

BOARD MEMBERS ABSENT

Ms. Kim Sinatra, Executive Vice President of Wynn Resorts

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

2. **PUBLIC COMMENT: 9:09 A.M.**

Mr. Ed Uehling highlights an adjustment he believes should be made to the December meeting minutes.

Mr. James Loreto, a culinary member for over 15 years, states that Las Vegas's transportation system is not keeping pace with the demands of the growing tourist economy. Mr. Loreto stresses other cities, such as Orlando, are capitalizing on this and attempting to persuade conventions to relocate. Mr. Loreto states that updating the transportation system is one of the best ways Las Vegas can remain the top convention destination.

There are no more public comments. Chairman Hill closes Agenda Item 2.

3. ACCEPTANCE OF MINUTES FROM DECEMBER 3, 2015: 9:11 A.M.

Chairman Hill opens Agenda Item 3 for any motion to accept the meeting minutes from December. A motion is made by Mr. Hornbuckle for the acceptance of the minutes. Ms. McMillan seconds the motion. The December meeting minutes pass unanimously.

Chairman Hill closes Agenda Item 3.

4. CHAIRMAN/COMMITTEE COMMENTS: 9:20 A.M.

Chairman Hill mentions "The Future of Mobility," a booklet made available by Deloitte University Press. The booklet presents an outline of what the future of mobility could look like from the perspective of economic development. The concepts in this booklet, as well as the discussions at the meetings, will play an important role in the proposed solutions for transportation.

Chairman Hill asks those individuals looking at transportation solutions to start thinking about forming a more realistic and medium-term set of solutions, as well as work with the state's new Center for Advanced Mobility.

Chairman Hill closes Agenda Item 4.

5. RESEARCH STAFF REPORT: 9:12 A.M.

Jeremy Aguero, Principal at Applied Analysis, provides the staff report. He introduces a briefing on the room tax, which summarizes how the tax is collected, how much revenue it generates, and how that revenue is distributed. Mr. Aguero then points out a summary of Las Vegas transportation statistics. Committee members were also presented with background information on each of the out-of-state transportation speakers.

Mr. Aguero then points out that the Las Vegas Convention and Visitors Authority (LVCVA) has provided a financial planning document for the Las Vegas Convention Center District. The document was sent to committee members prior to the meeting and will be discussed at February's working session. The LVCVA also compiled a blended facility utilization calendar which shows the valley's monthly and annual exhibit hall utilization projections for the next five years.

Lastly, Mr. Aguero highlights additional follow-up materials that have been posted to the sntic.org website, including documents on the Metropolitan Police Department funding formula and an economic briefing looking at the major tax contributions for the tourism industry.

Mr. Hornbuckle points out that when Mandalay Bay Convention Center submitted its facility utilization, the company submitted figures for the past three years. Thus, Mr. Hornbuckle notes that in those years capacity had been exceeded and that in coming years the valley will fill additional capacity.

Chairman Hill closes Agenda Item 5.

6. PRESENTATIONS:

a. Southern Nevada Transportation: 9:27 A.M.

- **Ms. Tina Quigley, Regional Transportation Commission of Southern Nevada**
- **Mr. David Swallow, Regional Transportation Commission of Southern Nevada**

Ms. Tina Quigley, General Manager of the Regional Transportation Commission of Southern Nevada (RTC), points out that during the past five meetings for the Southern Nevada Tourism Infrastructure Committee, many recommendations for improvements have been linked back to transportation. The RTC has been working for the past three years to find solutions to the transportation needs over the next 30 years to stay competitive. Ms. Quigley highlights the Transportation Investment Business Plan (TIBP). This is the first time in the United States that this type of multi-jurisdictional, multi-agency and multi-modal endeavor has existed. Collectively, there are 65 recommendations in the TIBP that cost $7 billion to $12 billion. This cost does not include light rail since it has alternative options for funding. Ms. Quigley notes that Las Vegas is a destination that became a city, so the transportation plan must focus on the tourism aspect of the location.

Ms. Quigley would like to address a common question regarding how much rail would cost. Ms. Quigley states at-grade rail is $75 million per mile, below-grade rail is $750 million per mile and elevated rail is $250 million per mile.

Ms. Quigley discusses the TIBP further, stating the 65 recommendations are broken into seven project suites. Each entity is responsible for its own piece of the transportation plan. Ms. Quigley welcomes Mr. David Swallow, the RTC's Senior Director of Engineering and Technology, to discuss the RTC's projects under the TIBP. Mr. Swallow highlights that the core area light rail would be under the RTC's purview and explains why the RTC decided to focus on light rail instead of other transportation options. RTC buses carry over 40,000 passengers per day between the Strip and downtown, representing nearly a quarter of total ridership and over a third of total system revenue. This is why the RTC believes there are alternative funding mechanisms for future transportation systems.

Mr. Swallow discusses the idea of forming the Resort Corridor Mobility Association, but is unsure who would lead the group. Another policy recommendation would be to establish a corridor wayfinding system, which would not just allow travelers to determine what modes of transportation would be beneficial to them, but also help travelers navigate around the resort corridor.

Mr. Sisolak notes his concern with building a light rail system in the resort corridor. Mr. Swallow informs Mr. Sisolak that his concerns would be considered in greater detail if the RTC were to go forward with a planning study.

Mr. Hornbuckle asks if there are tiered zones in the TIBP's recommendations that should be executed first. Ms. Quigley states that an alternatives analysis would need to be conducted to determine what the next steps would be.

Mr. Noonan asks that if we build a light rail system in the resort corridor, what effects would it have on the current bus system. Mr. Swallow notes that the RTC's overall bus network would be preserved. The RTC believes there is a balanced way to use the current revenue from Strip operations to enhance transportation within the corridor. Ms. Quigley alludes to a recent *LA Times* article regarding declines in ridership in southern California. Ms. Quigley states that she recently spoke with Phil Washington, the CEO of southern California's transit system, who informed her that they had recently cut their bus services to expand their rail system and work on repairs. Ms. Quigley states that public transit agencies do want to be careful in balancing bus services with rail services.

Chairman Hill asks what attributes of light rail would allow for the doubling of ridership capacity. Mr. Swallow states that the reliability that comes with having a dedicated pathway as well as the attractiveness of the technology would increase ridership.

Mr. Sloan mentions that the article Ms. Quigley referenced deserves consideration because it points out similar declines occurring in other cities. Ms. Quigley agrees that in some cities ridership is down; however, in many cities ridership has increased. Mr. Swallow clarifies that a rail-based system would be supported by the corridor in which it operates and would not carve away at the rest of the transit network to support it.

- **Mr. Don Burnette, Clark County**
- **Mr. Denis Cederburg, Clark County**

Mr. Don Burnette welcomes Mr. Denis Cederburg, Clark County Director of Public Works. Mr. Cederburg notes that his presentation will focus on projects that Clark County currently has some portion of funding through its capital improvement program. There are currently 26 projects that focus on transportation improvements within Clark County. The first project that Mr. Cederburg discusses is a grade-separated structure at over the Union Pacific Railroad at the Harmon-Valley View connection. The project is at 90 percent design and is expected to begin construction later this year.

Mr. Cederburg notes there are several proposed pedestrian bridges along Las Vegas Boulevard in the TIBP but focuses on the bridge at Bellagio-Paris. The suggested pedestrian bridge is an X-configuration to reduce pedestrian crossings at private property driveways.

Mr. Cederburg discusses the TIBP proposal of airport express routes. Clark County is proposing an elevated expressway that will reduce travel time to and from McCarran International Airport without reducing the current roadway traffic capacity. This project is estimated to cost $200 million.

Mr. Burnette stresses that the projects Mr. Cederburg presented, with the exception of the airport expressway, are funded and will be executed within the next few years. Mr. Burnette notes that Clark County has the additional finances to move forward on the expressway.

Mr. Hornbuckle asks about the timing of the airport expressway. Mr. Cederburg believes Clark County can begin construction within two years, but the phasing of the project would have to be further researched. The duration of construction will be about two years. However, since these are key routes, Clark County will look at accelerated construction schedule.

Mr. Sloan asks if passengers driving at-grade will be impacted during the construction of the elevated expressway. Mr. Cederburg notes that the segmental construction will be least impactful to the current roadways.

Mayor Goodman asks if there has been any research into limiting traffic on Las Vegas Boulevard to only include public transportation and pedestrians. Mr. Burnette states that this topic deserves a public discussion before moving forward with any construction on Las Vegas Boulevard. Mr. Hornbuckle states the properties are not designed to solely accommodate traffic coming in through the back. The other resort property representatives agree.

- **Mr. Jorge Cervantes, City of Las Vegas**
- **Ms. Elizabeth Fretwell, City of Las Vegas**

Ms. Elizabeth Fretwell, City Manager for the City of Las Vegas, states the city council adopted a transportation mobility plan several years ago. Ms. Fretwell discusses Project Neon, which will add two interchanges that will improve downtown transportation.

Ms. Fretwell states the City of Las Vegas is working to effectively connect the Symphony Park area to the rest of downtown. The City of Las Vegas believes the best way to do this is through a series of pedestrian bridges. Ms. Fretwell notes that the City of Las Vegas has programmed the design funds for this and has active partnerships with the developers who own the private land associated with these bridges. The City of Las Vegas is also working towards a Symphony Park bridge that will assist in moving vehicular traffic around downtown.

The City of Las Vegas believes a downtown circulator can connect key destinations and employment centers. Ms. Fretwell also mentions that a circular bridge at Sahara Avenue and Las Vegas Boulevard would be effective in moving pedestrian traffic in that area.

Mr. Jessup believes that the growth at the University of Nevada, Las Vegas will outpace the campus's capacity, so he would like Ms. Fretwell to explain what will occur along Maryland Parkway that could impact the university. Ms. Fretwell explains the City of Las Vegas would like build a rail system that will connect the university's new medical district with downtown. This will allow for more housing opportunities and improved community connectivity for students.

Chairman Hill asks what projects the City of Las Vegas has capacity to move forward with. Ms. Fretwell notes that all the projects she has mentioned are currently underway. The higher-order-magnitude transit project is primarily in the planning phase and not funded.

Mr. Markantonis asks what the circulator pedestrian bridge would cost. Mr. Jorge Cervantes states it will cost $30 million to $40 million.

- **Mr. Rudy Malfabon, Nevada Department of Transportation**

Mr. Rudy Malfabon, Director of the Nevada Department of Transportation (NDOT), highlights that the state's highway fund is currently healthy and has the assurance of future funding with Congress recently passing a five-year transportation bill. Mr. Malfabon notes that Project Neon is underway. He adds that most of the 20-year construction will be in subsequent phases, but the current phase will be done by mid-2019.

Mr. Malfabon notes that Mead, Harmon and Hacienda Avenue will be the major roadways in NDOT's HOV masterplan. Another phase in the plan is a $100 million project that will provide HOV lanes between Interstate 15 and the airport via Interstate 215.

- **Mr. Curtis Myles, Las Vegas Monorail Corporation**

Mr. Curtis Myles, President and CEO of the Las Vegas Monorail Corporation, notes that the Las Vegas Monorail is a private, not-for-profit company. Mr. Myles highlights that 90 percent of ridership flies to Las Vegas and 55 percent stay in a hotel connected to the monorail. Mr. Myles stresses that connecting the monorail to Mandalay Bay is the company's priority. Ridership studies for Mandalay Bay are currently underway and design will be completed later this year. Connecting to McCarran Airport is the second priority.

Mr. Sisolak asks Mr. Myles how much it would cost to extend the monorail to Mandalay Bay. Mr. Myles stresses that the company has not finished design, so the prices may change, but it will be between $120 million and $140 million for a mile-long addition. Mr. Myles then states it would be roughly $12 million to $14 million to connect to the Sands Expo.

Mr. Noonan asks how long Mr. Myles expects today's technology to be viable. Mr. Myles notes that the Las Vegas Monorail is continually updating vehicles, which are modern and designed to be 30-year vehicles.

- **Mr. Andrew Mack, XpressWest**

Mr. Andrew Mack, CEO at XpressWest, notes XpressWest's project is primarily focused on providing a rail-based mode of transportation between Las Vegas and southern California. Mr. Mack highlights the three phases of the planned project. The first phase will connect Las Vegas and Victorville. Since all travelers coming from southern California drive through Victorville, this will provide an intersection point. Mr. Mack notes the federal environmental impact statement has approved two station locations in Las Vegas for XpressWest. As part of the consideration for which station XpressWest chooses, multi-modal connectivity is a high priority. Mr. Mack states XpressWest trains will come into the station elevated.

- **Mr. Guy Hobbs, Hobbs, Ong and Associates**
- **Mr. Peter Shellenberger, Public Financial Management, Inc.**

Mr. Guy Hobbs, President and Managing Director of Hobbs, Ong and Associates, discusses the funding models for the TIBP. The total TIBP cost of $7 billion to $12 billion is projected over a 30-year period. Mr. Hobbs notes that timelines on these TIBP projects may change and alter the funding models. Mr. Hobbs stresses that a majority of the cost for the projects are for operations and maintenance. Sources, such as federal funds, could offset the total cost of those projects.

Mr. Sisolak comments on how the cost for these projects seem excessive and suggests looking into more practical projects.

Chairman Hill asks Ms. Quigley what she would like to ask the committee for in terms of the TIBP. Ms. Quigley states she would like to continue these leadership conversations to address both private- and public-sector priorities within the region and for each responsible party to move forward to execute those priorities. Ms. Quigley states the presentation was not given with the intent of asking the committee to prioritize the projects, but to show the committee that there is a collaborative effort going on. The RTC does have some legislative asks, but they are not for funding.

Mr. Hobbs states that one of the items that the RTC is asking for is the expansion of the P3, public-private partnership, legislation. Mr. Peter Shellenberger, Managing Director of Public Financial Management Inc., provides an overview of public-private partnerships. Mr. Hobbs states the second request is for Nevada to consider permissive legislation in the creation of a State Infrastructure Bank (SIB), which would lend money to agencies that are applying for funding.

Mr. Hobbs states there is a large funding gap that will be affected over time, such as projects being pushed back or eliminated. Then, projects are bound by what can be afforded. The P3 and SIB apply to uses more broad than transportation.

Chairman Hill states that the committee will need a more thorough explanation of what the RTC is requesting.

Chairman Hill closes Agenda Item 6a.

b. Out-of-State Transportation: 1:40 P.M.

Mr. Jeremy Aguero, Principal at Applied Analysis, is welcomed back to direct the out-of-state transportation panel.

- Mr. Roger Dow, U.S. Travel Association

Mr. Roger Dow, President and CEO of the U.S. Travel Association, states the United States economy was built on infrastructure. However, infrastructure is not keeping pace with the growing population. Mr. Dow notes that many travelers avoid trips due to long travel times, which is costing the economy billions of dollars. In a survey by the U.S. Travel Association, 87 percent said the infrastructure is in fair or poor shape, 74 percent said the quality and reliability of infrastructure is extremely important to growth, and 76 percent do not believe the United States is positioned to respond to growth.

Mayor Goodman asks for Mr. Dow's top three recommended funding strategies. Mr. Dow states there needs to be several sources of funding that can come together in a comprehensive model.

- Mr. Paul Jablonski, San Diego Metropolitan Transit System

Mr. Paul Jablonski, CEO of the San Diego Metropolitan Transit System, states that he has always felt the Las Vegas resort corridor is a prime location for rail. Mr. Jablonski points out that the Metropolitan Transit System (MTS) provides transit for about three-quarters of San Diego. The first line for MTS's trolley system was built in 1981 for $7 million per mile; the system is currently 54.5 miles long. Mr. Jablonski states MTS has partnerships with neighboring schools, including San Diego State University. Mr. Jablonski believes rail is a good choice for transportation because it can accommodate more passengers, there is lower vehicle cost to achieve the same maximum passenger count, it has cheaper operating costs than buses and it brings multiple economic benefits. Mr. Jablonski states light rail should not cost Las Vegas more than $9 million per year to operate.

Mr. Jablonski estimates that every dollar invested returns about $4 to the community.

Mr. Noonan asks what typically happens to bus traffic with the addition of rail. Mr. Jablonski states that ridership goes up.

- **Mr. Phil Brown, Greater Orlando Aviation Authority**

Mr. Phil Brown, Executive Director for the Greater Orlando Aviation Authority, discusses the history of Orlando International Airport. Orlando had 62 million visitors in 2014, with 37.8 million air travelers. Mr. Brown states that 70 percent of the airport's revenue comes from non-airline related expenditures, such as rental cars and retail stores. Orlando International Airport can accommodate four modes of passenger rail, including inter-city rail, light rail, commuter rail and an automated people mover. Mr. Brown states that in regards to financing, Orlando International Airport uses all the funding available to it, such as government grants, capitalized farebox revenue and private investment.

Mr. Brown states that about 13 percent of airport passengers are international.

- **Mr. Mike Allegra, Utah Transit Authority**

Mr. Mike Allegra, retired President and CEO of the Utah Transit Authority, states ridership has increased every year for Utah Transit Authority's multi-modal system. There have been 20 referendums to ask the community if it is willing to pay for investments in public transportation, of which 80 percent have passed. Mr. Allegra states that in the last 14 years, Utah Transit Authority has built 140 miles of rail which was initiated with the 2002 Winter Olympics. The Utah Transit Authority has received more federal funding than any other transit system. Mr. Allegra states that every agency in the state of Utah has adopted the Transportation Plan, which is a $70 billion, 30-year multi-modal plan. Mr. Allegra believes the two pillars of economic development are transportation infrastructure and education.

Chairman Hill asks Mr. Allegra if the referendums were for sales tax increments and what the results were. Mr. Allegra states that over the past 45 years, there have been 20 referendums, most of which passed overwhelmingly.

Mayor Goodman asks how much marketing is done in regards to the referendums. Mr. Allegra states the Utah Transit Authority is prohibited from running the referendums, and the marketing for the campaigns is done solely through private-sector investments.

- **Mr. Steve Heminger, San Francisco Metropolitan Transportation Commission**

Mr. Steve Heminger, Executive Director for the San Francisco Metropolitan Transportation Commission, discusses San Francisco's $4.5 billion Transbay Terminal Project. The project will connect 11 public transit systems and will be done in two phases. Phase one of the project is a $2.1 billion bus terminal that is currently under construction. This bus terminal will be a rail-ready facility that will be located underground. The San Francisco Metropolitan Transportation Commission is using tax increments from the land around the bus terminal to pay for a majority of the first phase. Mr. Heminger points out that the cost for the Transbay Terminal Project is high due to the operations and maintenance cost.

Ms. McMillan asks Mr. Heminger to explain the FTA New Starts funding source. Mr. Heminger states the second phase will be a New Start project because it has the rail focus. The New Starts program is mostly funded out of the general fund of the United States, however, it is a competitive program. Mr. Heminger states that a community like Las Vegas would do well in competing for this type of funding.

- Ms. Marla Lien, Denver Regional Transportation District

Ms. Marla Lien, General Counsel of the Regional Transportation District (RTD), states the RTD has a strong history of public-private partnership that has helped to develop the FasTracks Plan, which brought 122 miles of new light rail and commuter rail to Denver. Ms. Lien states Denver Union Station, a $484 million project, is Denver's multi-modal hub for all of its modes of transportation. Land sales around that station are being used to fund the project. Ms. Lien highlights the Eagle P3 Project, which is a $2.2 billion public-private partnership project to finance and develop portions of the FasTracks plan. About half of the project, $1.03 billion, was federally funded. Ms. Lien states that similar to Utah, RTD cannot spend any public funds in campaigning.

Chairman Hill asks Ms. Lien to discuss the sales tax in Denver. Ms. Lien states the sales tax varies by community, but it is 3 percent for the state and 1 percent for the RTD, with most counties averaging 8 percent overall.

Chairman Hill closes Agenda Item 6b.

c. Revenue and Funding Overview: 4:10 P.M.
- Mr. Guy Hobbs, Hobbs, Ong & Associates

Mr. Hobbs provides the committee with a handout on various funding sources which are not specific to the meeting's topic, but more generic to fund any needed infrastructure. There are some taxes that produce small annual revenues, so they would have limited funding potential. More predictable revenue sources will provide a better credit option for financing. Mr. Hobbs notes there are always equity issues in terms of piecing together solutions. Higher credit-quality taxes that have been in place for a longer period of time, such as sales and room tax, can be pledged and bonded with a general obligation backing.

Chairman Hill closes Agenda Item 6c.

7. FEBRUARY MEETING PREVIEW: 4:16 P.M.

Mr. Jeremy Aguero states the Las Vegas Convention and Visitors Authority provided a detailed outline of the financial plan for the Las Vegas Convention Center District. Representatives from the University of Nevada, Las Vegas will submit a similar type of package relative to the proposed stadium at the February meeting for the March working session.

Chairman Hill closes Agenda Item 7.

8. COMMITTEE MEMBER COMMENTS: 4:08 P.M.

Mr. Sisolak provides follow-up documents from the Metropolitan Police Department that outline a funding plan for the Real Time Crime Center, uniform foot patrol officers and additional surveillance cameras.

Mr. Rossi Ralenkotter would like to clarify the blended facility utilization outlook. The Las Vegas Convention and Visitors Authority has blended the Las Vegas Convention Center, Sands Expo Center and Mandalay Bay Convention Center's monthly occupancy into an overall valley occupancy rate. The green line represents the average occupancy of the industry of about 56 percent. The red line positioned at 70 percent represents the industry's practical maximum occupancy, which is taking into account unsellable dates.

Chairman Hill closes Agenda item 8.

9. PUBLIC COMMENT: 4:18 P.M.

There are no public comments. Chairman Hill closes Agenda Item 9.

10. ADJOURNMENT:

CHAIRMAN HILL OPENS AGENDA ITEM 10 FOR POSSIBLE ACTION. MR. JESSUP MAKES THE MOTION TO ADJOURN THE COMMITTEE MEETING. MR. HORNBUCKLE SECONDS THE MOTION. THE MOTION PASSES UNANIMOUSLY.

Las Vegas Convention Center District

Expansion and Renovation
of the
Las Vegas Convention Center


WESTGATE

Renovated interior spaces for customer amenities….

An enclosed concourse connecting the existing exhibit halls…..

New exhibit halls along Paradise Road….

Connection to Las Vegas Blvd with an international exhibit plaza....

SOUTHERN NEVADA
Tourism Infrastructure Committee

Summary of Competitive Convention Center Activity

Las Vegas is far from the only city considering a convention center expansion. A list of major ongoing or recently completed projects is included below, along with details of the project and costs. Added space figures consist of new exhibit, meeting, and ballroom square footage and do not include additional spaces that are be part of the project. In addition to these listed projects that entail additions of exhibit and/or meeting space, other efforts to enhance amenities and infrastructure within "convention center districts" are underway in and around Chicago's McCormick Place[1], Orlando's Orange County Convention Center[2] and Houston's George R. Brown Convention Center[3].

Project details were collected from publicly available sources, including convention authorities, public agencies, and news reports.

Planned and In-Progress Convention Center Expansion Projects

Facility	Status	Project Cost	Added Space
Jacob K. Javits Convention Center, New York, NY[4]	Proposed 2016	$1 billion	722,000 SF
Announced by New York Governor Andrew Cuomo in January 2016, the project would expand the convention center by 1.2 million square feet, increasing its overall size from 2.1 million square feet to 3.3 million square feet.			
Music City Center, Nashville, TN[5]	Completed 2013	$623 million	518,600 SF
Opened in 2013, the Music City Center was three times larger than existing convention centers in the region. Construction of the facility was funded by a combination of tourism-related taxes and fees.			
Boston Convention & Exhibition Center, Boston, MA[6]	Proposed 2014	$1 billion	510,000 SF
The expansion would add 1.2 million square feet to the 2 million-square-foot center. The state legislature approved project bonds in 2014, however, Massachusetts Governor Charlie Baker halted the project in 2015, citing concerns over costs.			
Washington State Convention Center, Seattle, WA[7]	Proposed 2015	$1.4 billion	435,000 SF
Proposed in July 2015, the expansion project would add 1.2 million square feet in overall space to the convention center. The project includes co-development of residential units and commercial space.			
Los Angeles Convention Center, Los Angeles, CA[8]	Proposed 2015	$470 million	373,200 SF
The planned expansion would increase available space to 1.2 million square feet. The city's economic development committee recently recommended pursuing both the publicly-funded expansion as well as a public-private partnership plan to create a mixed-use development around the convention center campus.			
San Diego Convention Center, San Diego, CA[9]	Proposed 2010	$549 million	371,600 SF
The expansion has been stalled due to legal challenges over site location and a hotel tax funding mechanism. In February 2016, a competing convention expansion was announced as part of a proposal to build a new downtown football stadium.			
Austin Convention Center, Austin, TX[10]	Proposed 2015	$405 million	321,700 SF
The city is currently weighing the proposal that would nearly double the amount of function space from 366,700 square feet to more than 688,000 square feet. A $400 million bond proposal could go to voters for approval in late 2016.			
Henry B. Gonzalez Convention Center, San Antonio, TX[11]	Completion 2016	$325 million	314,000 SF
Under construction since February 2013, the expansion is on schedule for completion in late 2016. The project will increase the convention center's size and features a wraparound balcony overlooking the city's famous River Walk.			
Moscone Center, San Francisco, CA[12]	Completion 2018	$500 million	305,000 SF
Construction on the expansion project began in May 2015 and is scheduled for completion in late 2018. When finished, the expanded convention center will have more than 1 million square feet of available exhibit space.			
Aria Convention Center, Las Vegas, NV[13]	Planned 2016	$154 million	200,000 SF
Announced in December 2015, the project will increase the center's meeting space to more than 500,000 square feet. Construction is scheduled to begin in May 2016 with completion anticipated in February 2018.			
Anaheim Convention Center, Anaheim, CA[14]	Completion 2017	$190 million	200,000 SF
Construction began in April 2015 to add a two-level convention expansion that will push total convention space to more than 1 million square feet. The project includes a 1,350-space parking garage. Completion is expected in summer 2017.			

Convention Center Project Sources

[1] Chicago
http://chicago.suntimes.com/politics/7/71/153714/contract-approved-to-build-arenahotel-near-mccormick-place
[2] Orlando
http://www.bizjournals.com/orlando/blog/2015/09/convention-center-reveals-details-on-20-year.html
[3] Houston
http://www.houstonconventionctr.com/HomePage/PressRoom/TheNewHoustonConventionDistrict.aspx
[4] New York
https://www.governor.ny.gov/news/7th-proposal-governor-cuomos-2016-agenda-dramatic-expansion-jacob-k-javits-center-attract-more
[5] Nashville
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[6] Boston
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http://visitsandiego.com/sites/default/files/Expansion%20Market%20Feasibility%20Analysis%20San%20Diego%20%20_9_2_2015%20-REVISED.pdf
[7] Seattle
http://www.wsccaddition.com/facility-details/floor-plans
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[9] San Diego
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http://www.voiceofsandiego.org/topics/land-use/everything-you-need-to-know-about-where-the-convention-center-expansion-stands/
[10] Austin
http://www.austintexas.gov/edims/document.cfm?id=242405
http://www.austinchronicle.com/news/2015-10-23/pushing-for-expansion/
[11] San Antonio
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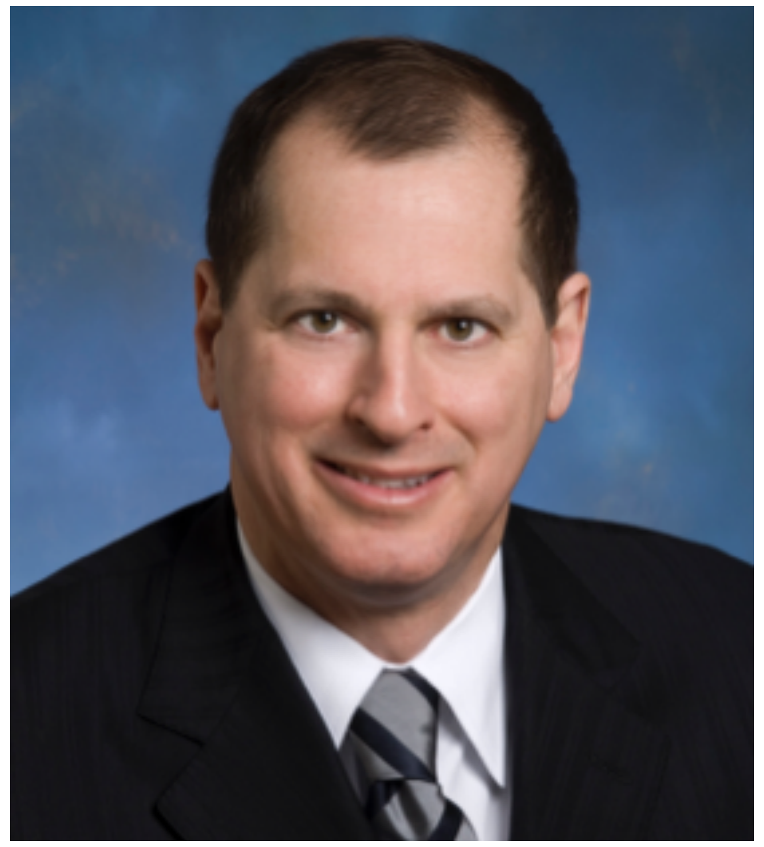
http://www.expressnews.com/business/local/article/Convention-Center-costs-remain-under-budget-6827797.php
[12] San Francisco
http://visitsandiego.com/sites/default/files/Expansion%20Market%20Feasibility%20Analysis%20San%20Diego%20%20_9_2_2015%20-REVISED.pdf
http://www.ktvu.com/news/4669886-story
[13] Aria
http://www.prnewswire.com/news-releases/aria-resort--casino-announces-major-convention-center-expansion-to-deliver-unrivaled-meetings--events-experience-300194084.html
[14] Anaheim
http://www.venuestoday.com/news/detail/anaheim-convention-center-undergoes-expansion-42815
http://www.tsnn.com/news-blogs/anaheim-convention-center-kicks-7th-expansion-project

"The expansion and renovation of the LVCC are essential for us to continue our successful partnership with the city."



– **Gary Shapiro**
President & CEO
International Consumer Electronics Show

"CES features more than 3,600 exhibitors, spans more than 2 million net square feet, and uses all three convention centers in Las Vegas. We also have additional exhibits and programming at the Aria, Renaissance, Vdara, Wynn/Encore and Westgate hotels. Demand for our show is high and frankly we are running out of space."

– **Karen Chupka**
SVP of International Consumer Electronics Show & Corporate Business Strategy
International Consumer Electronics Show

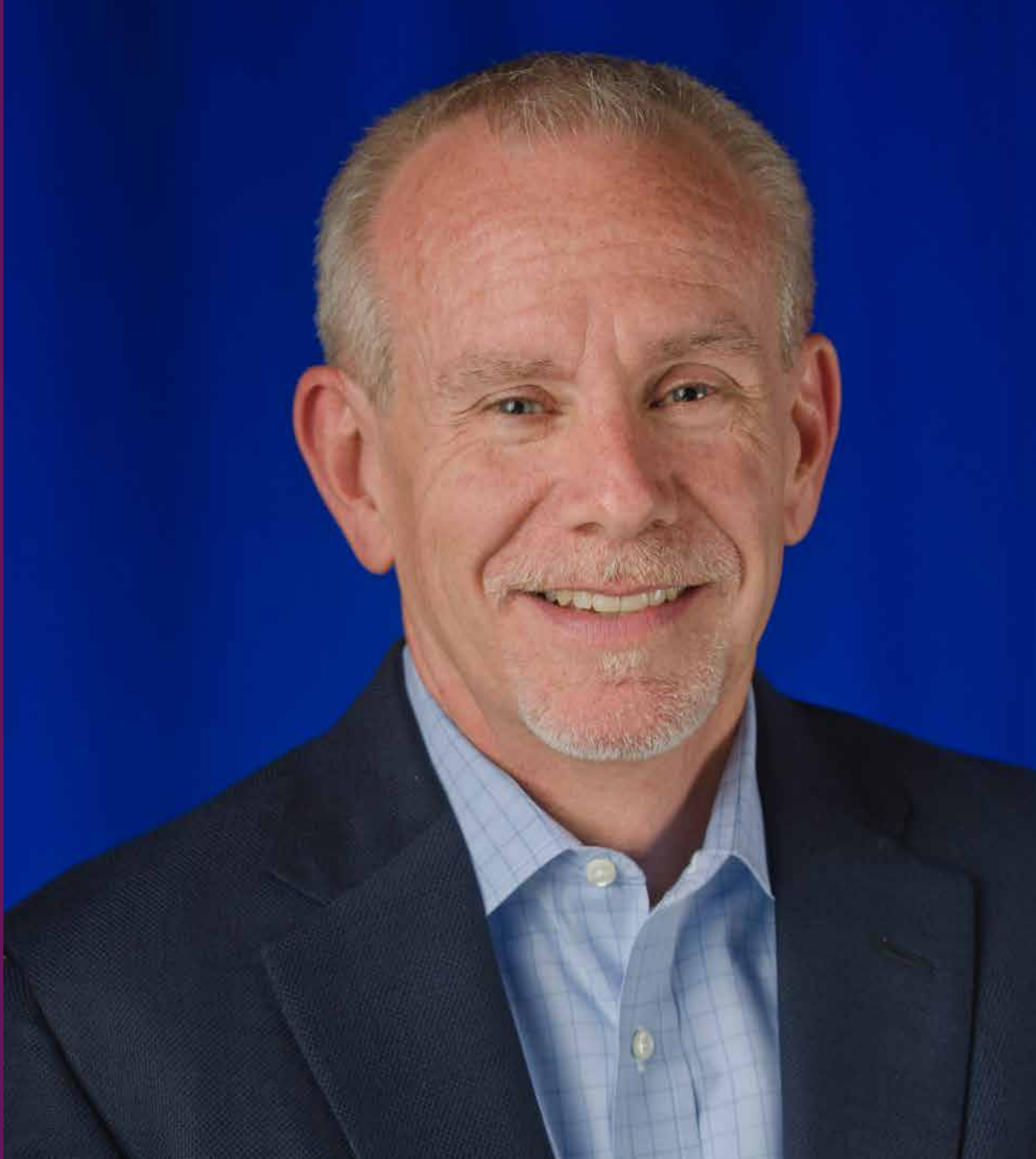
"We have already maximized the use of the meeting space in the facility … more importantly, we are approaching a sellout of the available exhibit space. The reality is that, in order for us to continue to be successful, we have to be in a facility that offers an environment, services and amenities that enable and enhance the experience."

– **Chris Brown**

Executive Vice President of Conventions & Business Operations

National Association of Broadcasters

NABSHOW® Where Content Comes to Life



"Las Vegas business and government stakeholders agree that Las Vegas should be the world's #1 convention and conference destination. However, Las Vegas will not hold that position if it does not invest in updated and expanded facilities."

SEMA SHOW

– **Chris Kersting**
President and CEO
SEMA

"If your great city is going to maintain its competitive edge, then local business and civic leaders of the Las Vegas hospitality community need to support the plan to renovate and expand …"

International Council of Shopping Centers

– **Timothy McGuinness**
Staff Vice President,
Global Trade Expositions
ICSC

"The priority assignment period for our 2017 show just concluded, and the demand for space grew by more than 1 million net square feet. It's critical that the LVCC keep pace with our growth, as well as our exhibitors' growing demand for world-class indoor and outdoor exhibit space."

– Megan Tanel

VP Exhibitions & Events

Association of Equipment Manufacturers

CONEXPO-CON/AGG

"Las Vegas makes a great host city because it too is continuously eyeing the future for the newest trends and what is on the horizon. This forward-looking project expanding the Las Vegas Convention Center will ensure the city's leadership role and its continued primacy in the exhibition industry."

ADVANSTAR

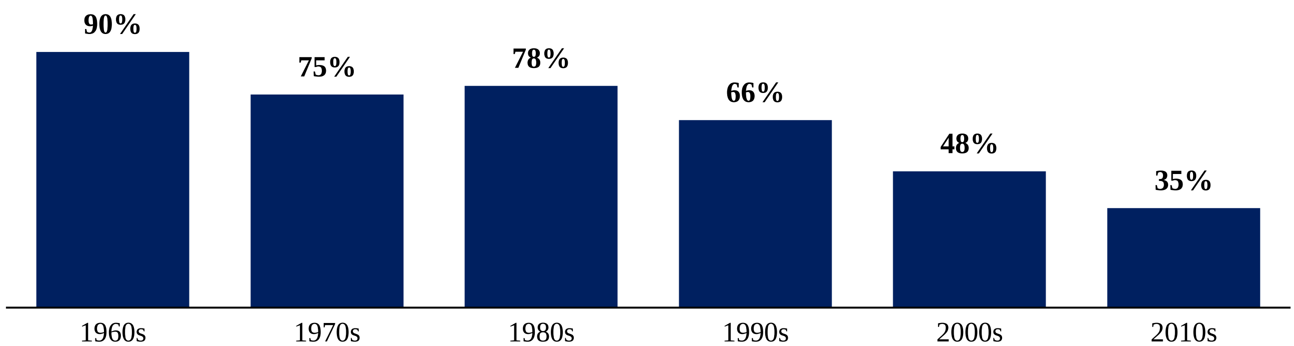
– **Tony Calanca**
Executive Vice President
Advanstar

SOUTHERN NEVADA
Tourism Infrastructure Committee

Room Tax Distribution in Southern Nevada

Since 1957, a room tax has been collected in Clark County to support the promotion of Southern Nevada's tourism industry. Today, the room tax accounts for roughly 80 percent of annual operating revenues for the Las Vegas Convention and Visitors Authority. Since the room tax was enacted, however, the percentage of revenue dedicated to tourism has gradually declined as the tax rate has been raised and modified to fund education, transportation, and other initiatives at the state and local levels.

History of Room Tax Distribution for Tourism Promotion
LVCVA and Nevada Commission on Tourism



** Figures represent decade averages.* *Source: Las Vegas Convention and Visitors Authority, Applied Analysis*

The room tax rate in Clark County depends on the location of the establishment. The rate varies from 12 percent to 13 percent for resort hotels and from 10 percent to 13 percent at other lodging facilities. Total revenue is distributed according to state and local law. The largest share of room tax revenue (39 percent) is dedicated to education funding at both the state and county levels. Tourism promotion receives the second-highest share (35 percent) of room tax revenue via funding for the LVCVA and the state Commission on Tourism. Total room tax collections reached a record $606 million in fiscal year 2015, up more than 7 percent from the prior year.

Room Tax Distribution in Clark County – FY2015

	Room Tax Rate	Amount	Share
Total Clark County Room Tax Collections	10% - 13%	$605,729,967	100.0%
Las Vegas Convention and Visitors Authority	2% - 6%	$194,200,663	32.1%
Nevada - Education	2% - 3%	$148,902,500	24.6%
Clark County School District	1⅝%	$85,405,191	14.1%
Local Jurisdictions	1% - 2%	$83,481,060	13.8%
Clark County Transportation	1%	$53,817,737	8.9%
Nevada Department of Transportation	N/A*	$21,186,259	3.5%
Nevada Commission on Tourism	⅜%	$18,736,557	3.1%

** Debt service obligation as required by NRS and AB 545.* *Source: Las Vegas Convention and Visitors Authority, Nevada Department of Taxation*

Las Vegas Convention and Visitors Authority
MEMORANDUM

Date: February 8, 2016

To: Southern Nevada Tourism Infrastructure Committee

From: Rossi Ralenkotter, President/CEO

Re: Las Vegas Convention Center District (LVCCD)

The following information is provided in response to a committee member's request subsequent to the delivery of our LVCCD Financial Planning Document. The document was prepared by internal staff; the LVCVA did not incur any direct consultant costs related to the compilation or production of the document. However, much of the financial content is founded on expertise derived from separate prior engagements with leading industry experts. This table reflects those cumulative costs from 2012 through 2015.

Specialized Public Finance Inc; Debt Capacity Analysis and Projections	$ 20,000
PKF Consulting USA;	62,500
HVS Convention, Sports & Entertainment Facilities Consulting; Financial Strategy Study	91,563
Piercy, Bowler, Taylor and Kern; Land Valuation Concepts and Analysis of Alternatives	25,000
JNA Consulting Group; LLC; Funding Projections and Analysis	6,000
TOTAL FINANCIAL CONSULTING SERVICES	**$ 205,153**

In full transparency, the LVCVA has incurred costs for other financial services related to the issuance of debt. The following table reflects costs for financing activities including refunding bonds for savings, as well as bank facilities and new money bonds for Phase One land acquisitions. The following table summarizes those cumulative costs from 2012 through 2015.

JNA Consulting Group; LLC; Funding Projections & Analysis	$ 311,644
Sherman & Howard, Bond Counsel	331,655
Hobbs, Ong & Associates	50,435
IPREO, POS & OS Services	3,000
Moody's Ratings Services	96,650
Standard & Poor's Ratings Services	89,482
TOTAL DEBT FINANCING COSTS	**$ 882,866**

In addition to our response to the SNTIC's request for information regarding the development of our LVCCD financial booklet, we are pleased to provide the attached summary of key information related to the LVCCD. We appreciate the opportunity to further the discussion on this critical project at your meeting scheduled on February 25, 2016.

LAS VEGAS CONVENTION CENTER DISTRICT
KEY INFORMATION SUMMARY

THE LAS VEGAS CONVENTION CENTER (LVCC) IS A PROVEN COMMUNITY ASSET AND ECONOMIC DRIVER

The LVCC has a 56-year proven track record of driving midweek demand for Las Vegas. Hosting over 1.3 million annual tradeshow attendees, the LVCC generates nearly $1.9 billion in economic impact according to a study by Applied Analysis.

LVCC ECONOMIC IMPACT

CURRENT
ANNUAL ECONOMIC IMPACT:
$1.9 Billion

ADDITIONAL
LVCCD INCREMENTAL
ANNUAL ECONOMIC IMPACT:
$400m-$700m

SIGNIFICANT INCREMENTAL ECONOMIC IMPACT

Per a study by Tourism Economics, the LVCCD could attract **69 new events worth $4 billion in economic impact and more than 1.8 million additional attendees over a ten-year period**. Notably, this estimate does not include the important additional impact of existing shows that will be able to grow with our expanded facility. Between the addition of new shows and growth of existing shows that the facility expansion will allow, the incremental economic impact of the LVCCD is estimated to be between **$400 million- $700 million annually,** depending on show rotation cycles.

TRADESHOWS PAY TO BE IN LAS VEGAS

Conventions and tradeshows require no special fees to induce them to come to Las Vegas, unlike some major special/sporting events that can demand sponsorship/host costs and/or community expenditures that can exceed millions of dollars. Conversely, tradeshow customers pay to use our convention facilities and book space years in advance. The LVCC is currently booking tradeshows into 2030.

THE LVCCD SUPPORTS MIDWEEK HOTEL OCCUPANCY AND ROOM RATES

The biggest opportunity to increase occupancy is during midweek. Annual average midweek occupancy in 2015 was 85.2%. The original and ongoing role of the LVCC has been to attract conventions to reduce otherwise dramatic dips in midweek occupancy between weekend spikes. Even in January, the month when Las Vegas hosts the 175,000 attendees of CES, followed by 60,000 attendees of the International Homebuilders Show, overall midweek occupancy for the month was still below 80% (79.3%) last year.

MIDWEEK OPPORTUNITY

Midweek Occupancy: **85.2%**

Weekend Occupancy: **93.7%**

For comparison, 2015 average weekend occupancy was 93.7%. In 2015, half of the weekends of the year saw occupancy exceed 95%, and all but ten weekends saw occupancy reach at least 90%. Unlike conventions and tradeshows, many special events, such as sporting events and concerts, overlap with weekend periods that already enjoy high occupancy levels.

During otherwise slower midweek periods, LVCC conventions and tradeshows, many of which are booked years in advance, provide a base of visitor demand from which resorts can yield up their room rates.

OUR COMPETITION IS NOT STANDING STILL

The threat from competition is real. Our major competitors are planning to expand and enhance their facilities to attract trade shows away from Las Vegas:

- Chicago has prepared to invest $1.1B for extensive improvements and expansion to their convention center district.
- New York has approved and funded a $1B expansion and enhancement of the Javits convention center.
- San Francisco began construction last year (2015) for a $1B expansion of their facilities including an additional 300,000 sq. ft. of new exhibit & meeting room space.
- Seattle has proposed a $1B expansion including a 5-story exhibition hall connected to the downtown Washington State Convention Center. Construction is planned to begin the first quarter of 2017.
- Houston is planning to invest $1.5B to transform the area surrounding their convention center creating a more attractive visitor experience in order to attract more trade show customers.
- The long range master plan of Orlando's convention center highlights 480 acres of land on which they can expand their current facilities, including such elements as a potential transportation system connecting the convention center directly to the airport.

> The loss of a 50,000 attendee show represents more than **$70M of economic loss** to Las Vegas.
>
> Major cities across the US and abroad are investing significant $$$ to attract trade shows away from Las Vegas.

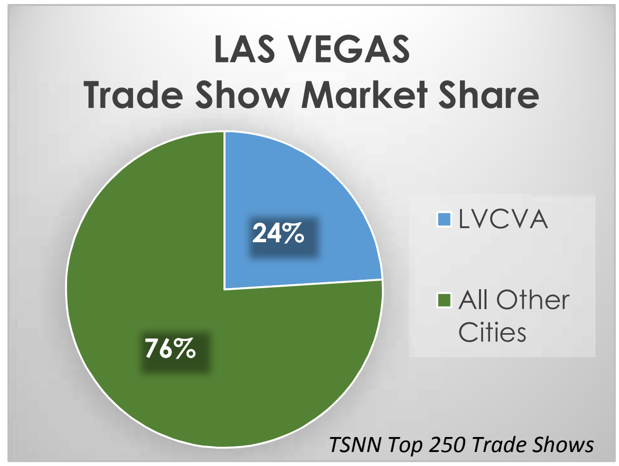
BOTH EXPANSION <u>AND</u> RENOVATION ARE REQUIRED TO KEEP, GROW AND ADD TRADESHOWS

Key goals of the LVCCD program are to protect the calendar dates of our current trade show customers and minimize disruption to our customers during the renovation of the existing facilities. To achieve these goals, the proposed expansion will create 'swing' space enabling us to locate our trade shows within the convention center campus and away from construction activities during renovation. The expansion and the renovation are necessary, interdependent elements of the LVCCD program.

Evidence of the impact of convention center renovation to a trade show can be seen in the most recent departure of VMware from San Francisco's Moscone Center. Due to the anticipated construction disruption, VMware decided to relocate its 2016 convention from San Francisco to Las Vegas.

The loss of a 50,000 attendee show would represent more than $70M of economic loss to Las Vegas. Whether the departure is a result of construction disruption or the attraction to another city because of the facility's amenities, the resulting negative impact remains the same.

THE LVCC NEEDS TO MODERNIZE



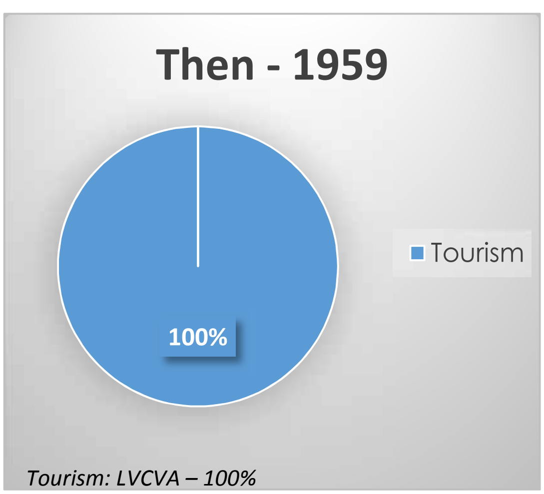
The LVCC has been a work horse for more than 55 years. While we have maintained the building through significant annual budgets for repair and capital improvements, the time has come that many parts of the building must be replaced in order to meet the demands of our customers.

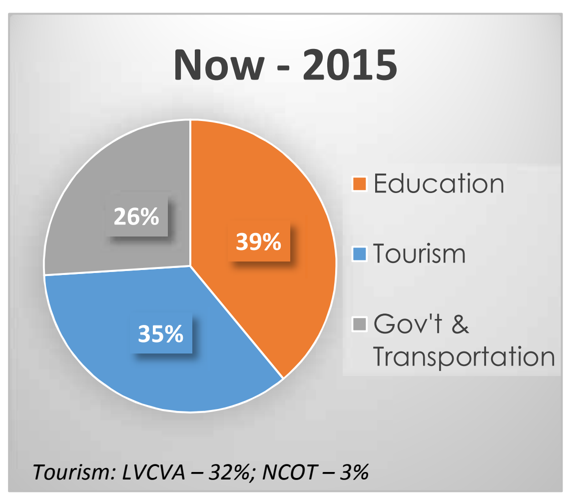
Keeping pace with the ever evolving needs of our tradeshow clients is tantamount in keeping our position as the #1 trade show destination in North America!

As the industry leader, we must continue to create the customer experience with a business environment that meets the changing demands and opportunities of a very dynamic industry. With the proposed LVCCD Expansion and Renovation, the LVCC will continue in its role of industry leader, setting the bar that others can only hope to reach.

Through investment in the proven community asset that is the LVCC, opportunities abound for Las Vegas to continue to grow its share of the tradeshow market.

CLARK COUNTY ROOM TAX RE-INVESTED IN TOURISM





THE LVCCD BUDGET IS APPROPRIATE

The proposed budget for the LVCCD expansion and renovation is consistent with national and regional trends. The following charts show a comparison of the published hard cost of similar convention center programs in other US cities to the proposed budget for the hard cost of the LVCCD program. The additional costs associated with OH&P, Management, Contingency and Soft Cost varies from city to city and program to program, but the percentages of each of these elements to the hard cost is consistent with national and regional industry standards.

COMPARABLE FACILITY CONSTRUCTION HARD COSTS[1]

	Pittsburgh	San Diego	Kansas City	Chicago	Nashville	Average	Median
Demolition & Site Clearing	($0)	$0	$0	$5	$1	$1	$0
Utility Relocation and New Services	$5	$9	$2	$9	$9	$7	$9
Excavation and Foundation	$19	$18	$29	$36	$5	$22	$19
Structural Frame	$90	$98	$107	$90	$83	$94	$90
Roofing and Waterproofing	$18	$20	$10	$7	$14	$14	$14
Exterior Wall	$34	$17	$42	$37	$59	$38	$37
Interior Finishes	$50	$52	$43	$43	$58	$49	$50
FF&E	$8	$9	$10	$2	$11	$8	$9
Equipment & Specialties	$5	$10	$14	$5	$10	$9	$10
Food Service Equipment	$4	$2	$6	$3	$4	$4	$4
Vertical Transportation	$5	$7	$11	$7	$12	$9	$7
Plumbing	$10	$7	$7	$17	$14	$11	$10
Fire Protection	$3	$4	$5	$6	$6	$5	$5
HVAC	$32	$26	$41	$32	$46	$36	$32
Electrical	$32	$31	$35	$65	$52	$43	$35
Plaza and Site	$2	$3	$8	$10	$9	$7	$8
Direct Work Subtotal	$320	$314	$371	$375	$393	$355	$339
General Conditions	$19	$47	$45	$44	$54	$42	$45
***Construction Total Hard Cost**	$339	$362	$416	$420	$447	$397	$384

*Costs are for a construction start in 2018 adjusted for Las Vegas. Cost do not include OH&P.

LVCCD BUDGET[1]

	Phase Two	Phase Three	
Category	**Expansion**	**Additions**	**Renovation**
Hard Cost	$365 Per SF	$385 Per SF	$25 Per SF
OH&P	$ 37 Per SF	$ 39 Per SF	$ 3 Per SF
Management	$ 18 Per SF	$ 21 Per SF	$ 1 Per SF
Contingency	$ 73 Per SF	$111 Per SF	$ 6 Per SF
Construction Budget	**$493 Per SF**	**$556 Per SF**	**$35 Per SF**
Soft Costs	$107 Per SF	$139 Per SF	$9 Per SF
Total Budget	**$600 Per SF**	**$695 Per SF**	**$44 Per SF**

[1] Source: LVCVA presentation to the Southern Nevada Tourism Infrastructure Committee 12/03/15

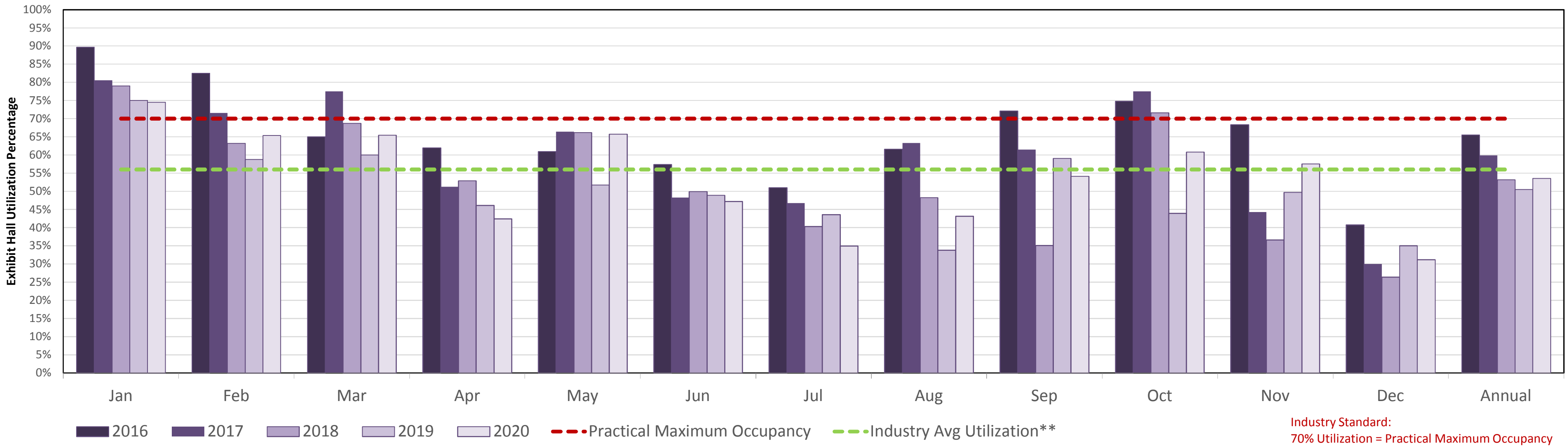
CONVENTION CENTER EXHIBIT SPACE UTILIZATION OUTLOOK: LVCC, SANDS EXPO & MBCC COMBINED

MONTHLY UTILIZATION GROUPED BY YEAR

as of January 25, 2016

BLENDED FACILITY UTILIZATION OUTLOOK OF LVCC, SANDS EXPO & MBCC

(Reflects exhibit hall utilization only; does not include utilization of other meeting or ballroom space)



*** Industry average based on 2014 PWC Convention Center Report: averages of "Gateway" Markets (i.e., those cities with >30,000 hotel rooms and conv ctrs larger than 500,000 sf).*

NOTES:

The above chart is a snapshot of exhibit hall utilization as of the date indicated and may not reflect subsequent bookings.

Resort convention facilities generally follow different business models than standalone convention centers like the LVCC.

With the amenities and revenue centers of their adjacent resorts, the Sands Expo and MBCC target a broad mix of corporate, association and various other types of meetings who may not utilize exhibit space, while the LVCC pursues a narrower mix of conventions, primarily association tradeshows, that require significant exhibit hall space.

Exhibit hall utilization may reflect only a partial picture of business activity.

For the LVCC, exhibit hall utilization reflects a larger representation of business activity while meeting/ballroom space utilization (not depicted here) can represent significant business at integrated resorts such as as the Sands/Venetian/Palazzo and Mandalay Bay.

70% utilization is viewed as the effective "practical maximum" occupancy within the convention center industry due to "unsellable" days such as short windows of non-consecutive days, weekends, holidays, etc.

Since most major tradeshows require 8 to 10 consecutive days for setup, show days and teardown, shorter windows of availability between shows can emerge that are not useable for major tradeshow needs.

Due to high leisure demand on weekends in the destination, tradeshows seeking weekend show days are generally not pursued.

Lower utilization in Summer months and during the Winter holiday season mirrors seasonality of the national tradeshow industry.

SOUTHERN NEVADA
Tourism Infrastructure Committee

Convention Center Topics for Discussion

1. **Are there questions relative to the current role of the LVCVA and/or current LVCVA expenditures?**

    a. Primary mission of the LVCVA
    b. Need for the Las Vegas Convention Center and other LVCVA operated facilities
    c. LVCVA budget and expenditures

2. **What should be the priority(ies) for LVCVA relative to its convention operations?**

    a. Is the upgrade of the existing Las Vegas Convention Center facility a top priority?
    b. Is not losing any of the major conventions a top priority?
    c. Is expansion of the facility a top priority?

3. **Is what has been recommended by the LVCVA for the Las Vegas Convention Center consistent with the needs of the community/industry?**

    a. What are the primary factors that determine the extent/size of existing space reconfiguration?
    b. What are the primary factors that determine the extent/size of recommended expansions?

4. **Is the committee comfortable with the cost estimates and financing projections provided by the LVCVA?**

    a. Cost of upgrading the existing facilities
    b. Cost of newly constructed facilities
    c. Are LVCVA pro forma projections accurate?
    d. Are there questions/concerns with the LVCVA financing model? (note: the model itself has not yet been provided to SNTIC)
    e. Does the LVCVA have a long-term capital plan to invest in facility infrastructure upgrades on a regular basis to keep up with industry standards?
    f. What is the current bonding capacity of the LVCVA? What is the long-term outlook?

Convention Center Topics for Discussion

5. **Is it possible for improvements of the current facility (i.e., Las Vegas Convention Center) to be done without construction of expansion space to facilitate the maintenance? What is the potential for Las Vegas/LVCVA to keep major conventions through space sharing with existing or expanded private convention space?**

    a. What is the potential loss to Las Vegas/LVCVA resulting from a progressive improvement schedule that takes convention halls and meeting spaces offline one at a time?
    b. How much space would be taken off the market each year under such an alternative?
    c. Is there capacity for local facilities to accommodate the space that is taken offline? What would the space shortfall, if any, be? What would be the increase in cost to conventions, tradeshows, etc., if any? Are there other considerations for conventions, such as user/vendor experience, that would impact their ability/willingness to divide their shows among local facilities?
    d. Does the potential Monorail extension to Venetian/Palazzo and the Mandalay Bay affect the extent to which existing space can be used to enhance and/or leverage available space for major conventions?

6. **Is southern Nevada maximizing the utility of room taxes? What is the capacity of room taxes?**

    a. Is the committee comfortable with the room tax projections?
    b. How does Nevada's room tax compare with other competitive jurisdictions?
    c. What are coverage requirements for debt secured by room taxes? How are excess room taxes (coverage values) allocated each year?
    d. What is the value of the collection allowance allocated to local governments?
        i. What is the value of the collection allowance?
        ii. What is the value of each 1%?
        iii. What is the value of the anticipated growth in this revenue?
    e. What is the value of the room tax that has been redirected, and what portions of those revenues have been pledged toward the repayment of bonds?
        i. What is the value of the education allocation?
        ii. What is the value of each 1%?
        iii. What is the value of the anticipated growth in this revenue?

Convention Center Topics for Discussion

7. **Other potential issues for discussion by the committee:**

   a. Is there real potential for Cashman Field to transition away from LVCVA and the resultant savings to be allocated to capital funding?
   b. What is comparative value of a special events visitor (weekend) and conventions/tradeshow visitor (weekday)?
   c. What is the LVCVA's plan for governance/oversight of the LVCC financing and construction process, and does a process similar to the CCSD Bond Oversight Committee structure have merit?

LAS VEGAS

CONVENTION CENTER DISTRICT

LasVegas.com

- WHY NOW?
- BENEFITS OF THE LVCCD
- FINANCIAL OVERVIEW
- NEXT STEPS

WHY NOW?

- WHY NOW?
- BENEFITS OF THE LVCCD
- FINANCIAL OVERVIEW
- NEXT STEPS

OUR #1 INDUSTRY IS BEING THREATENED


LVCCD
▪ CRITICAL CUSTOMERS AT MAXIMUM CAPACITY
▪ INSUFFICIENT SPACE FOR GROWTH
▪ COMPETITION ALREADY INVESTING

CURRENT BUSINESS IS NOT A GIVEN.

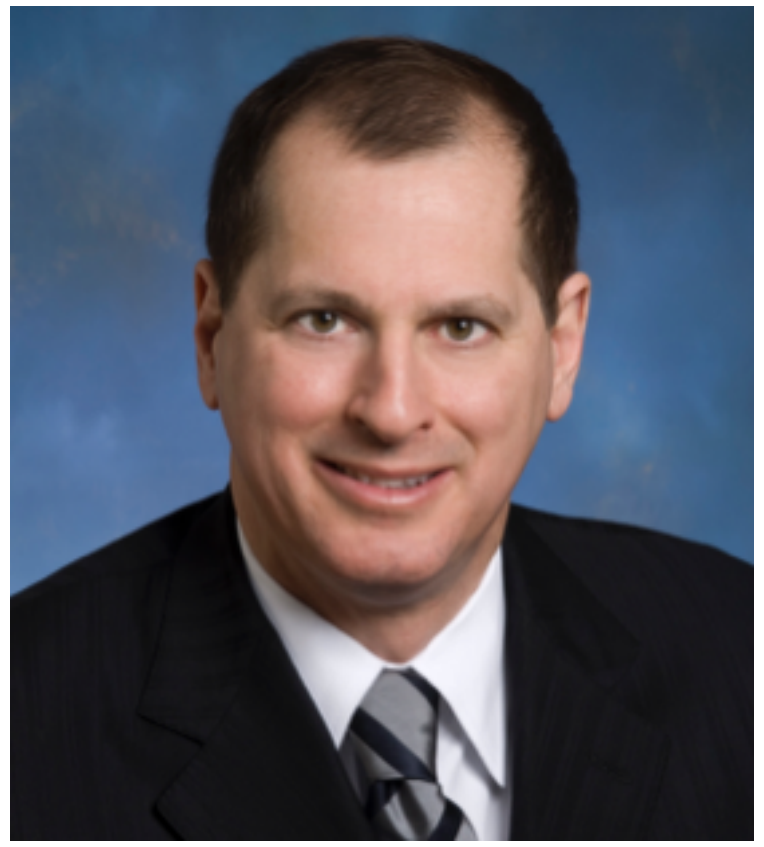
The loss of a 50,000 attendee show, represents more than a $70M loss in economic impact to the community.

$51 MILLION ANNUAL ECONOMIC IMPACT

PUT OUT TO BID AND MADE 3 SITE VISITS

ICSC

"The expansion and renovation of the LVCC are essential for us to continue our successful partnership with the city."



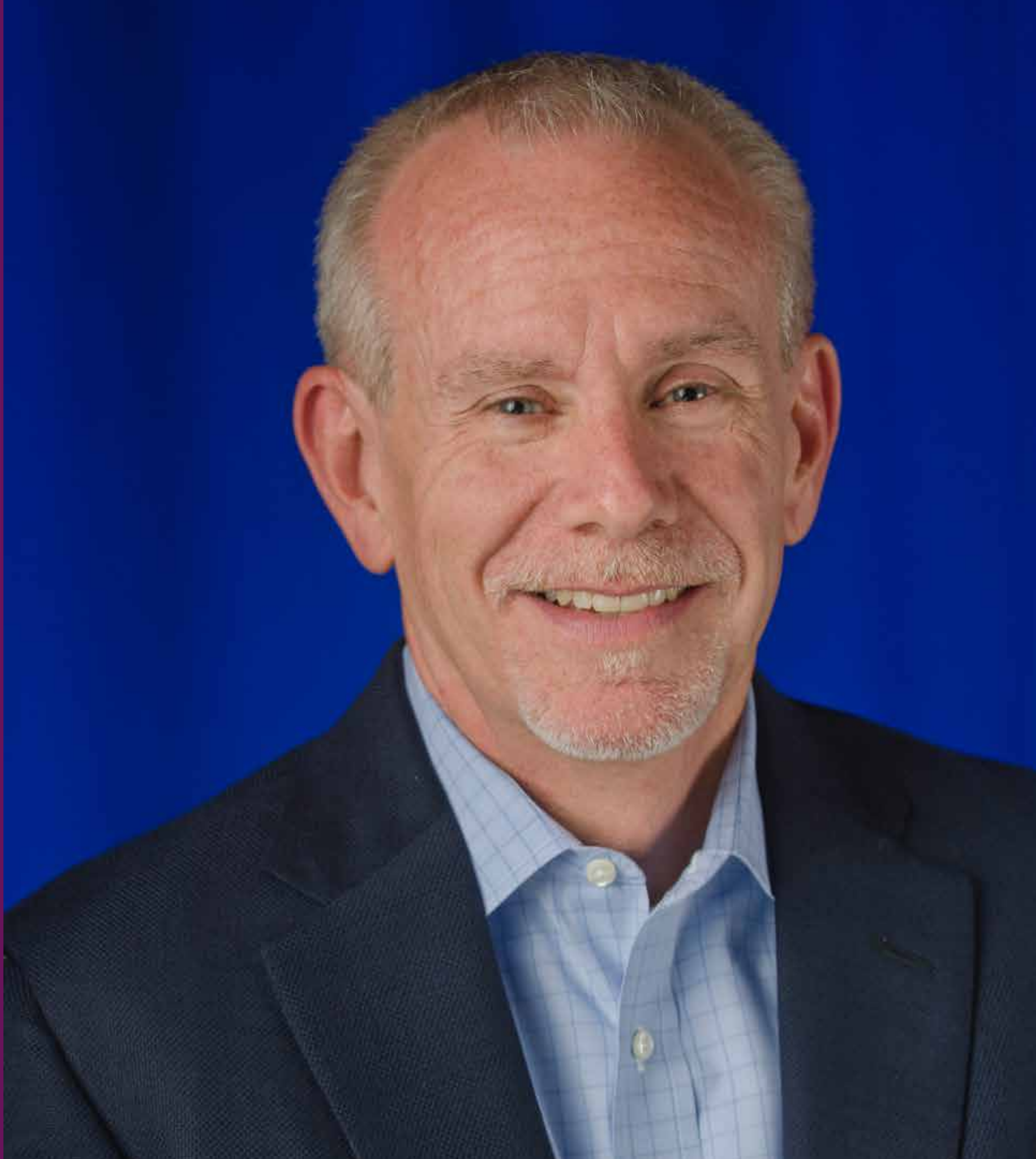
– **Gary Shapiro**
President & CEO
International Consumer Electronics Show

"CES features more than 3,600 exhibitors, spans more than 2 million net square feet, and uses all three convention centers in Las Vegas. We also have additional exhibits and programming at the Aria, Renaissance, Vdara, Wynn/Encore and Westgate hotels. Demand for our show is high and frankly we are running out of space."

– **Karen Chupka**
SVP of International Consumer Electronics Show & Corporate Business Strategy
International Consumer Electronics Show

“We have already maximized the use of the meeting space in the facility … more importantly, we are approaching a sellout of the available exhibit space. The reality is that, in order for us to continue to be successful, we have to be in a facility that offers an environment, services and amenities that enable and enhance the experience.”

– **Chris Brown**
Executive Vice President of Conventions & Business Operations
National Association of Broadcasters



"Las Vegas business and government stakeholders agree that Las Vegas should be the world's #1 convention and conference destination. However, Las Vegas will not hold that position if it does not invest in updated and expanded facilities."

SEMA SHOW

– **Chris Kersting**
President and CEO
SEMA

"If your great city is going to maintain its competitive edge, then local business and civic leaders of the Las Vegas hospitality community need to support the plan to renovate and expand …"

International Council of Shopping Centers

– **Timothy McGuinness**
Staff Vice President,
Global Trade Expositions
ICSC

"The priority assignment period for our 2017 show just concluded, and the demand for space grew by more than 1 million net square feet. It's critical that the LVCC keep pace with our growth, as well as our exhibitors' growing demand for world-class indoor and outdoor exhibit space."

– Megan Tanel
VP Exhibitions & Events
Association of Equipment Manufacturers
CONEXPO-CON/AGG

“Las Vegas makes a great host city because it too is continuously eyeing the future for the newest trends and what is on the horizon. This forward-looking project expanding the Las Vegas Convention Center will ensure the city’s leadership role and its continued primacy in the exhibition industry.”

ADVANSTAR

– **Tony Calanca**
Executive Vice President
Advanstar

THE COMPETITION IS AHEAD TODAY


CHICAGO
$1.1 BILLION


SAN FRANCISCO
$ 500 MILLION


SEATTLE
$1.4 BILLION
CENTER


HOUSTON
$1.5 BILLION


ORLANDO
$1.3 BILLION

ATTENDEES DEMAND MORE

- Increased demand for meeting and exhibit space
- South hall access via indoor connection from north hall
- Food service is inadequate and lacks diversity
- Lack of social space for interaction and connectivity

BENEFITS

OF THE LVCCD TO SOUTHERN NEVADA

- WHY NOW?
- BENEFITS OF THE LVCCD
- FINANCIAL OVERVIEW
- NEXT STEPS

JOBS

- **5,900** jobs during construction
- **6,000** permanent jobs

ECONOMIC FUEL

- **$3.6 billion** in construction-related local economic impact
- **$700 million** in economic impact following completion

NEW POTENTIAL
VISITOR GROWTH

TOURISM ECONOMICS

AN OXFORD ECONOMICS COMPANY

- 375,000 convention attendees overall economic impact $813 million
- 69 events over 10 years with overall economic impact $4 billion

PROSPECTIVE SHOWS

TOURISM ECONOMICS
AN OXFORD ECONOMICS COMPANY

NEW VISITORS MEAN

- Increased occupancy
- Higher ADR
- Jobs
- Increased airline service

FUEL GROWTH

- $8 billion in new capital improvements
- Support over 5,000 new rooms that have already been announced

IMPORTANCE OF CONVENTION VISITORS

- Protect existing business
- Support midweek occupancy


LAS VEGAS
CONVENTION
CENTER
DISTRICT
LAS Vegas
LasVegas.com

The LVCCD is just a facelift for the convention center

Just an expansion of the "cement floors and black ceilings"

MYTH

State-of-the-art holistic environment for the world's biggest brands/companies to conduct business

How we fend off competitive threats

Appropriate meeting space to exhibit halls

FACT

Las Vegas Convention Center District
Strategic Master Plan
Desert Inn Road
Paradise Road
Las Vegas Boulevard
PHASE ONE
Land Acquisition – Riviera Hotel
Purchase of 26.36 Acres (completed)
Demolition of Riviera Hotel Structures
Outdoor Exhibit
Landscaped Public Space
LVCVA Property Boundary

Las Vegas Convention Center District
Strategic Master Plan
PHASE ONE
Land Acquisition – Riviera Hotel
Purchase of 26.36 Acres (completed)
Demolition of Riviera Hotel Structures
Outdoor Exhibit
Landscaped Public Space
PHASE TWO
New Exhibit Hall Facility
Exhibit Hall,
Meeting Rooms,
Pre-Function Space,
Support/Service,
Parking/Taxi/Limo
Exhibit Halls Connector
LVCVA Property Boundary
Las Vegas Boulevard
Desert Inn Road
Paradise Road


Las Vegas Convention Center District
Strategic Master Plan
PHASE THREE
Renovation and Additions
Upgrades/Renovations
New Meeting Rooms
Exhibit Halls Connector
New East Lobby Entry
Desert Inn Road
Paradise Road
Las Vegas Boulevard
PHASE TWO
New Exhibit Hall Facility
Exhibit Hall, Meeting Rooms, Pre-Function Space, Support/Service, Parking/Taxi/Limo
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Las Vegas Convention Center District
Strategic Master Plan
PHASE THREE
Renovation and Additions
Upgrades/Renovations
New Meeting Rooms
Exhibit Halls Connector
New East Lobby Entry
PHASE FOUR
Future improvements
PHASE TWO
New Exhibit Hall Facility
Exhibit Hall, Meeting Rooms, Pre-Function Space, Support/Service, Parking/Taxi/Limo
Exhibit Halls Connector
PHASE ONE
Land Acquisition – Riviera Hotel
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Las Vegas Boulevard
LVCVA Property Boundary

FINANCIAL OVERVIEW

- WHY NOW?
- BENEFITS OF THE LVCCD
- FINANCIAL OVERVIEW
- TIMELINE
- NEXT STEPS

LVCCD Program $1.4 Billion Budget

PHASE 1

- Riviera Acquisition, Demolition, Site Prep, …

PHASE 2

- $860M EXPANSION
- Exhibit Hall, Meeting Rooms,Pre-Function, Support, Circulation, Service, …

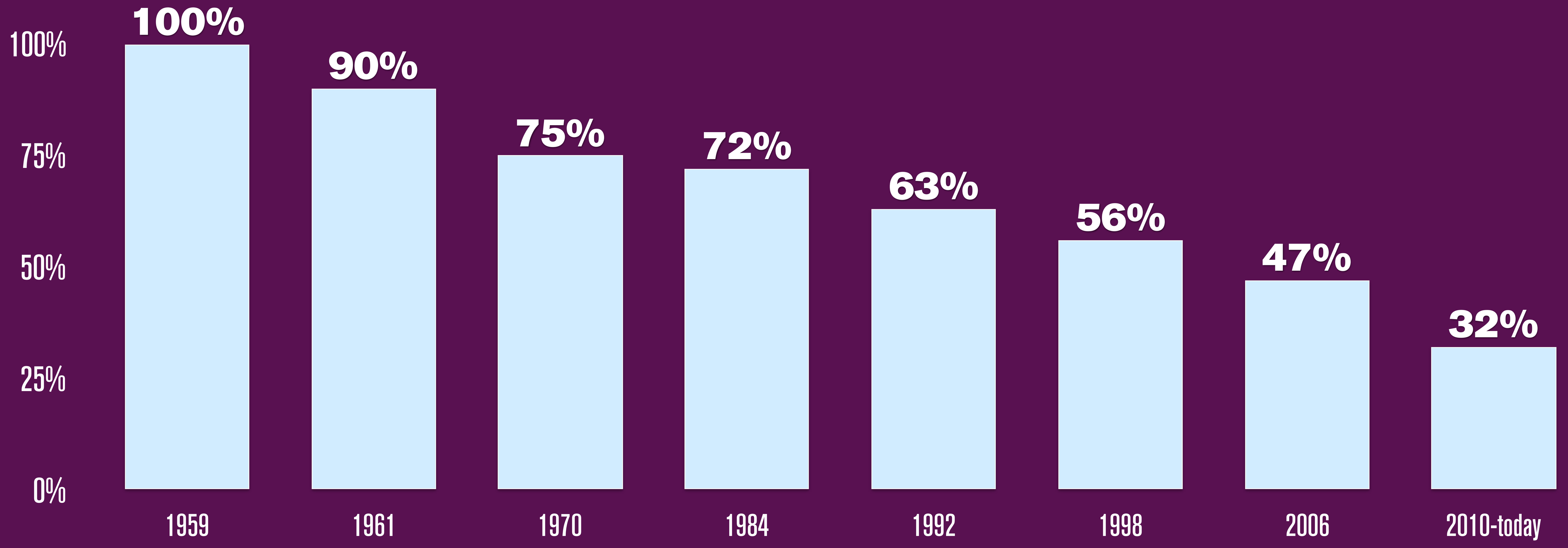
PHASE 3

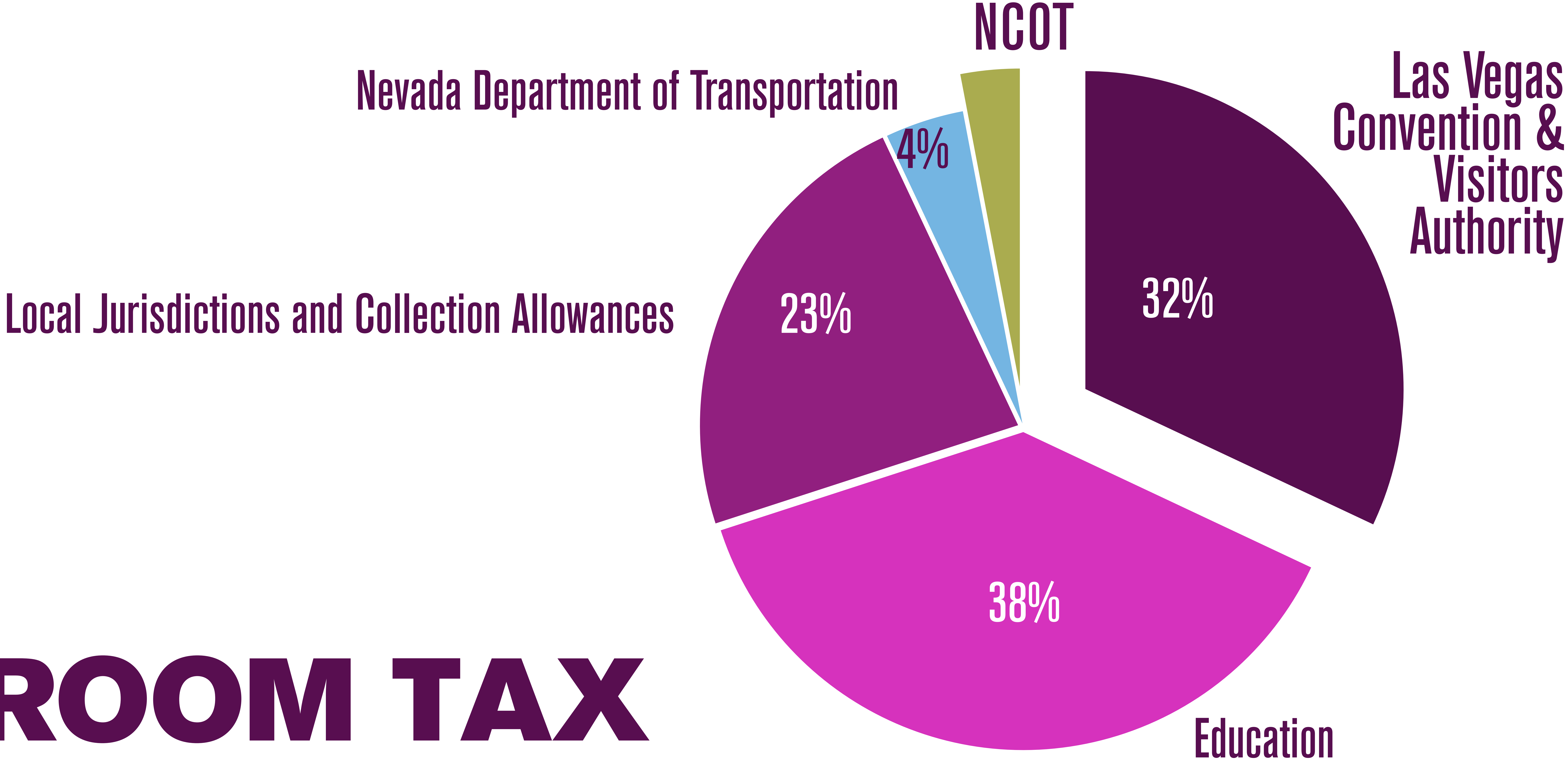
- $540M RENOVATION
- Existing spaces, Addt'l Meeting Rooms, NE Entry, Connector, Support Spaces, …

PHASE 4

- Future Enhancements

ROOM TAX ALLOCATION HISTORY

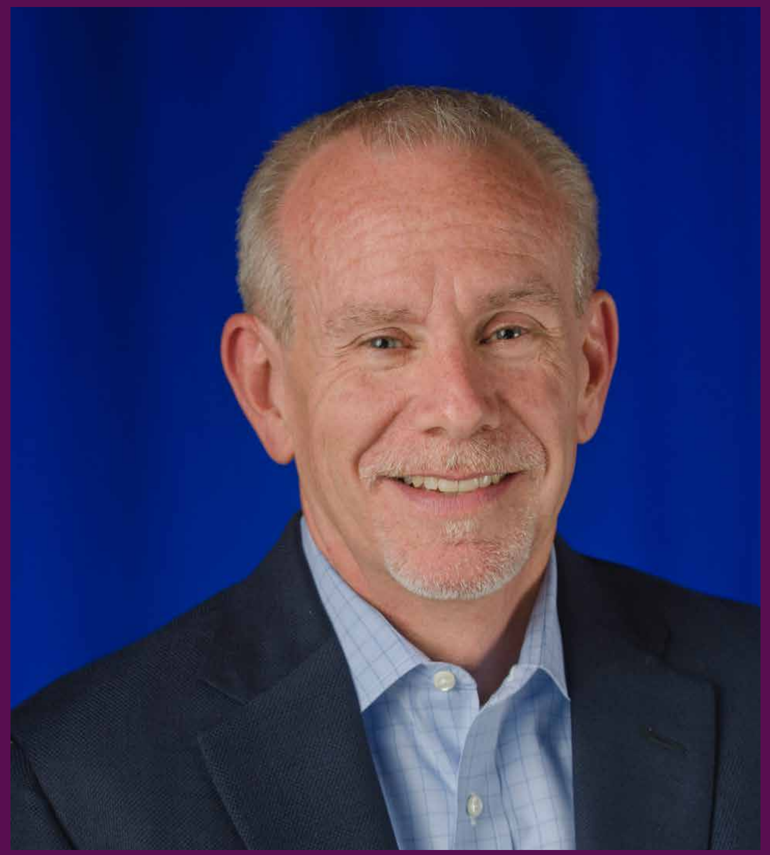




ROOM TAX DISTRIBUTION

TODAY'S PANEL

– **Karen Chupka**
SVP of International Consumer Electronics Show & Corporate Business Strategy
International Consumer Electronics Show



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Executive Vice President
Advanstar


NEVADA OUTDOOR
There's Millions in our Future...
SITE OF
CLARK COUNTY
CONVENTION CENTER
THIS DISPLAY DONATED BY NEVADA OUTDOOR ADVERTISING • DICK AND LEO ELKINS


THERE ARE BILLIONS IN OUR FUTURE
Las Vegas Blvd
Las Vegas
CONVENTION CENTER
WELCOME CONVENTION DELEGATES!!
LAS Vegas
LAS Vegas
WASHINGTON
ZULU
LONDON
BRUSSELS
SYDNEY
Concept Only

Las Vegas Convention Center District

Strategic Master Plan

Las Vegas Visitors and Convention Authority

October 2015

TABLE OF CONTENTS

I. EXECUTIVE SUMMARY

During 56 years of operations, the Las Vegas Convention Center (LVCC) has constantly changed to meet the needs of its customers in an ever-changing market, with a mission to maximize opportunities to attract convention visitors to Las Vegas. The LVCC under the authority of the Las Vegas Convention and Visitors Authority (LVCVA) is now facing a significant challenge to upgrade the aging building and increase the overall facility capacity in order to enhance the customers' experience, meet the current demands for additional convention space and capture new opportunities for increased business.

The trade-show industry in general is rebounding from the economic downturn of the last few years with increases occurring across the entire market. Outpacing the industry wide growth trend is a very specific sector of the industry, the top 250 trade shows, the primary focus of the LVCVA. Focusing on this sector of the industry, Las Vegas has been the No. 1 trade show destination for 21 consecutive years as determined by the Trade Show News Network (TSNN). With this position, not only is Las Vegas the best, but the competition in other major cities across the country and internationally have identified Las Vegas as the primary competition and the shows held in Las Vegas as primary targets for new business for their cities.

A recent feasibility study by Cordell Corporation has determined that given the demands of the current customers and the opportunity to attract new shows from the convention and trade show industry, the LVCC needs to expand its current exhibit space by 750,000 square feet. The size of the expansion is based upon analysis of the current facility, which indicates the facility is at maximum utilization during the highest periods of national trade show activity - the spring and fall. Additionally, the size of the expansion is based upon the need to relocate current show customers during extensive renovation of the existing facility. Relocation of the shows within the campus of the LVCC will ensure the shows do not leave Las Vegas to contract with other cities and venues due to disruptions from renovation construction in the current facility.

The Las Vegas Convention Center District Strategic Master Plan translates that recommendation into a four-phased approach for expansion and renovation.

Phase One was the acquisition of adjacent land area to accommodate expansion of the convention center. Critical to the success of Phase One was Morgan Stanley's representation of the LVCVA in the purchase of the Riviera Hotel property. The Riviera Hotel property was one of several land parcels considered for purchase through an analysis of multiple transaction characteristics. The acquisition provides the land area required to build a new facility in which to locate trade show customers when existing exhibit halls are taken off-line for renovation in the existing convention center and to accommodate additional expanded exhibit space to attract new trade shows from other national venues. Included in Phase One is the demolition of the Riviera Hotel and ancillary structures and the development of the site to support outdoor exhibit space for LVCVA trade show customers.

Phase Two is the development of a new facility to accommodate current trade shows when the existing facility is being renovated. The new facility will have new exhibition space of approximately 600,000 square feet and corresponding meeting rooms, pre-function space, service and support areas. The total size of the new building will be approximately 1.4 million square feet. The new facility will be located on the Gold Lot and the recently acquired Riviera Hotel property.

Phase Three is the renovation of the existing Las Vegas Convention Center to replace/repair some of the aging building components and to add features required to meet the expectations of today's convention and trade show visitor – such as additional meeting rooms supporting the current exhibition space, restroom upgrades, building ingress and egress enhancement, technology and security systems replacement, utility services capacity, food service distribution enhancement, interior and exterior cosmetic upgrades, etc.

Phase Four represents the final component of the strategic master plan required to reach the recommended capacity identified in the Cordell feasibility study. Phase Four future improvements will be based upon prevailing market conditions and direct feedback from the LVCVA customers. Elements of Phase Four may include additional exhibit space, corresponding meetings rooms and ancillary spaces, parking structures for convention delegates, a campus media center, a general session space with a full production kitchen and a landscaped public plaza adjacent to Las Vegas Boulevard.

Phase One of the master plan is currently being implemented. Unlike the subsequent phases of the master plan, Phase One is being funded through current LVCVA resources. Phases Two and Three have a combined projected budget of $1.4B with a funding need as described in the Finance Plan section of this document. The projected budget for Phase Four will be determined when the scope of the future expansion has been established. A detailed breakdown of the master plan budget is found in another section of this document. Phases Two and Three are anticipated to be implemented during a time period of six to seven years.

Other private and public/private sources will be considered to develop additional campus elements beyond this master plan such as a regional transportation hub for convention delegates and an International Trade Center with leased office space for our trade show partners.

Funding the expansion and renovation program will require additional revenues beyond the current and projected revenues collected by the LVCVA. The LVCVA receives approximately 32% of room tax revenue collected in Clark County. This percentage has decreased from 100% when the room tax legislation was first enacted. Funding for the Las Vegas Convention Center District is expected to come from a combination of new taxes and fees.

The economic impact of this master plan is significant. The Cordell Corporation feasibility study suggests that when the entire master plan is completed, community impact from the total program could reach upwards of $700 million of incremental economic impact.

Note: The material in this document is prepared for the purpose of providing general information related to the project and program. This material does not address risks including changes in economic and market conditions, management of growth, and other conditions that may cause actual results to differ materially.

II. ORGANIZATION OVERVIEW

HISTORY OF THE LVCVA

Las Vegas has long been a favorite recreation destination for millions of visitors. In the early 1950s, however, community leaders realized that the cyclical nature of tourism caused a significant decline in the number of visitors during the weekdays, throughout the summer months and over the Christmas season. A new market was identified in order to attract more visitors to the area during the slow periods - convention attendees.

Visionary elected officials, convinced that convention business was crucial to the growth of the city, went before the Nevada State Legislature to ask for funding. In 1955, the State Legislature agreed to finance the Clark County Fair and Recreation Board (the precursor to the LVCVA) with monies acquired from a room tax levied on hotel and motel properties in Clark County. This revenue, paid for by tourists and not by local residents, allowed the Las Vegas Convention Center to be constructed and operate without any tax assessment on Clark County residents, and allowed the LVCVA to begin a program of destination marketing.

On April 29, 1959, the Las Vegas Convention Center officially opened with a 20,340-square-foot rotunda, 18 meeting rooms and a 90,000-square-foot exhibit hall. In its first year of operation, the LVCVA hosted eight conventions that were attended by 22,519 delegates. Now, Las Vegas regularly hosts more than 22,000 conventions and meetings attended by nearly 5.2 million delegates annually.

SUPPORTING ALL OF SOUTHERN NEVADA

The entire Southern Nevada economy is heavily dependent on the hotel, gaming and convention industry, which employ more than one-quarter of the county's labor force. The viability of the economy in Clark County is dependent upon the volume of visitors to the region. The LVCVA provides a vital service for the public by contributing to the growth of the economy in all of Southern Nevada. The LVCVA's marketing efforts cover all of the more than 162,000 hotel and motel rooms in Southern Nevada. The room inventory includes Las Vegas and surrounding areas: Laughlin, Boulder City, Jean, Primm, Henderson, North Las Vegas and Mesquite.

ORGANIZATIONAL STRUCTURE

The LVCVA is unlike a typical convention and visitors bureau in that it is not a membership-based organization. The LVCVA is a governmental agency. It was established by a state law, is funded by a county room tax and is governed by an autonomous Board of Directors.

State law establishes the number, appointment and terms of the LVCVA's Board of Directors. The 14-member board provides guidance and establishes policies to accomplish the LVCVA mission of attracting an ever-increasing number of visitors to Southern Nevada. Although a political subdivision of the State of Nevada, the LVCVA Board is unique as the board includes elected officials from local governments as well as representation from the private sector. Elected officials hold 8 board seats, representing Clark County, the City of Las Vegas, North Las Vegas, Henderson, Mesquite and Boulder City. Private-sector members hold 6 seats, as nominated by the Las Vegas Metro Chamber of Commerce and Nevada Resort Association.

III. SITUATION ANALYSIS

Since opening in 1959, the Las Vegas Convention Center (LVCC) has been an attraction for conventions and trade shows worldwide. During its 56-year history, expansions and renovations have transformed the convention center's physical appearance and economic performance reflecting the changing market of the convention and trade show industry.

Today, the LVCC includes the original exhibition structure from 1959 along with the five expansions. Overall the building has been maintained at a level consistent with major public facilities across the country, but is in need of capital improvements consistent with a 56-year old facility.

Some building elements and systems have been upgraded as expansion occurred, but the facility is in need of a variety of upgrades, not only due to the age of the building, but the evolving use of the facility.

As an example, the Central Hall roof has not been replaced since it opened 56 years ago. Due to its age, during rain occurrences, the roof will leak. Exacerbating the leaking roof is the placement of existing roof drains, which were built in less than effective locations. This results in standing water on the roof, leading to additional leaking.

Due to multiple expansions of the facility, many of the systems are disjointed, including the emergency notification system and the security monitoring system. This condition makes testing, utilization, and maintenance of the entire facility systems inefficient.

Elevator and escalator usage is a constant issue, especially during high volume events. The lack of freight elevators results in crews using the escalators to transport tools and exhibits to the upper level meeting rooms. As a result, the escalators have gone through much more wear and tear than similar escalators of the same age.

There are over 50 freight and oversized doors throughout the facility and many are in need of replacement or repair. As a result, a significant portion of maintenance cost and effort is consumed keeping these outdated doors in operation.

Additionally, customer amenities including restrooms, food service, and technology fall short of satisfactory conditions in several areas.

One-third of the forty-six restrooms within the convention center have not been renovated since being built before 1970. These restrooms need plumbing and ventilation systems repair/replacement as well as cosmetic upgrades.

Food service facilities in the convention center are inadequate. Additional points of sale and quality of product are being addressed by the LVCVA.

As part of a recent agreement with the convention center technology provider, upgrades to the technology systems will occur over the next several years. Upgrades will include wireless Internet system, distributed antenna system, meeting room A/V systems, and technology support for the facility.

Overall, the LVCC is in relatively good condition for a facility of its age. However, building elements and systems will continue to degrade and the cost of repair and/or replacement will continue to rise each year.

In 2006, a Master Plan Expansion Program (MPEP) was created to meet the aging facility conditions and modern program needs as developed through a study of industry standards for trade show facilities and direct customer feedback.

As the 2006 expansion program began, so did the recent global economic recession. In response to the economic downturn, the LVCVA suspended the expansion project before significant construction costs were incurred developing the facility improvements. During the suspension of the project, the LVCVA replaced and expanded some of the building's aging infrastructure such as electrical utilities along Orange Drive and storm water conduits through the Silver Lot as available funds allowed. Significant renovation/building expansion as designed in the Master Plan Expansion Program was not implemented.

In 2013, as revenues from room taxes began to rebound and the LVCVA had sustained positive revenue growth for 42 months, the need to consider expansion/renovation was revisited. As a result, CSL, a nationally recognized consultant in the convention and trade show industry was commissioned to review the industry trends and consider the long-term planning needs for the LVCC. The *Updated Long Term Master Planning Analysis of the Las Vegas Convention Cente*r dated January 2013 submitted by CSL, documented customer feedback similar to previous customer input regarding upgrade and expansion needs of the LVCC.

In addition to the results of surveys and interviews with LVCC customers, the report provided an analysis of each exhibit hall with respect to occupancy efficiency. The findings in the report indicate an underutilized South Hall primarily due to "significant physical deficiencies". The deficiencies include; inconvenience of a two level stacked exhibit space, closely spaced oversized columns, difficulty separating pre-function events of multiple shows, meeting rooms remote to the primary convention area of the LVCC and lack of enclosure for visitors walking between South Hall other exhibit/meeting space in the LVCC.

The CSL report also provided analysis of the general configuration of the LVCC. As indicated in the CSL report, the LVCC ranks seventh nationally with other convention centers in terms of contiguous space. While the overall square footage of a convention center is important when analyzing its ability to create revenue opportunities, the configuration of the space is essential in attracting the desired trade shows to the facility. As a result, the report suggested consideration of an additional large exhibit hall of 700,000 to 800,000 square feet.

The report also provided analysis indicating meeting room space as a ratio to exhibit space is significantly below industry standards. According to the report "an adequate supply of quality meeting space has consistently ranked as one of the top three to four national event planner facility selection criteria and is a critical element to attracting large conventions and trade shows". The analysis suggests the LVCC needs approximately 40,000 to 50,000 square feet of additional meeting room space to provide a market-supportable balance with the existing exhibit space.

In addition to the facility and trend analysis performed by CSL, the LVCVA commissioned HNTB, an architectural firm nationally recognized in convention facility planning and design, to conduct customer focus groups in an effort to gain direct customer feedback regarding the current facility experience. HNTB's compilation of the comments received from the focus groups produced the following list of improvements in order of priority based upon the number of comments received for each:

Ranking	Issue	Customers Comments
1	Improve Food Service	Food service issues include quality, variety, distribution and experience. The food service does not compare to the Las Vegas brand.
2	Improve Technology	Technology & connectivity are critical to the tradeshows' business (Expanded role of technology in everyday commerce).
3	Add Meeting Rooms	The demand for meeting rooms has grown. Needs include: flexibility, modern space, built-in elements, and proximity to exhibit halls.
4	Create a connection between North/Central and South Halls	Shows have shorter durations; therefore, connectivity and flow are critical. Lobbies should be larger and open / flexible space. Tradeshows are competing for lobby space with other shows and vendors
5	Add New General Session Space	Show Managers are holding more receptions centered on events. General Session should be flexible and useable for registration, exhibits or keynotes.
6	Add Exhibit Space	Build a new and extend exhibit space to grow the convention center industry in Las Vegas. Some shows need more exhibit space – indoor & outdoor. Shows are concerned about disruptions with a renovation. Building a new hall will allow transition during renovation.

Source: HNTB Focus Group Brief November 16, 2012

In addition to these primary issues, the customers identified the need to enhance the general ingress and egress of the facility and specifically provide a better secondary entrance from the east side of the convention center. The findings in the HNTB report are consistent with the findings in CSL's report.

The Las Vegas Convention Center has over 3,200,000 gross square feet of facility including 1,940,000 square feet of exhibition space and 240,000 square feet of meeting room space. At ground level are the North Hall, 409,000 square feet, the Central Hall at 623,000 square feet and the first level of the South Hall at 443,8000 square feet. The South Hall features a second level exhibition space of 464,700 square feet.

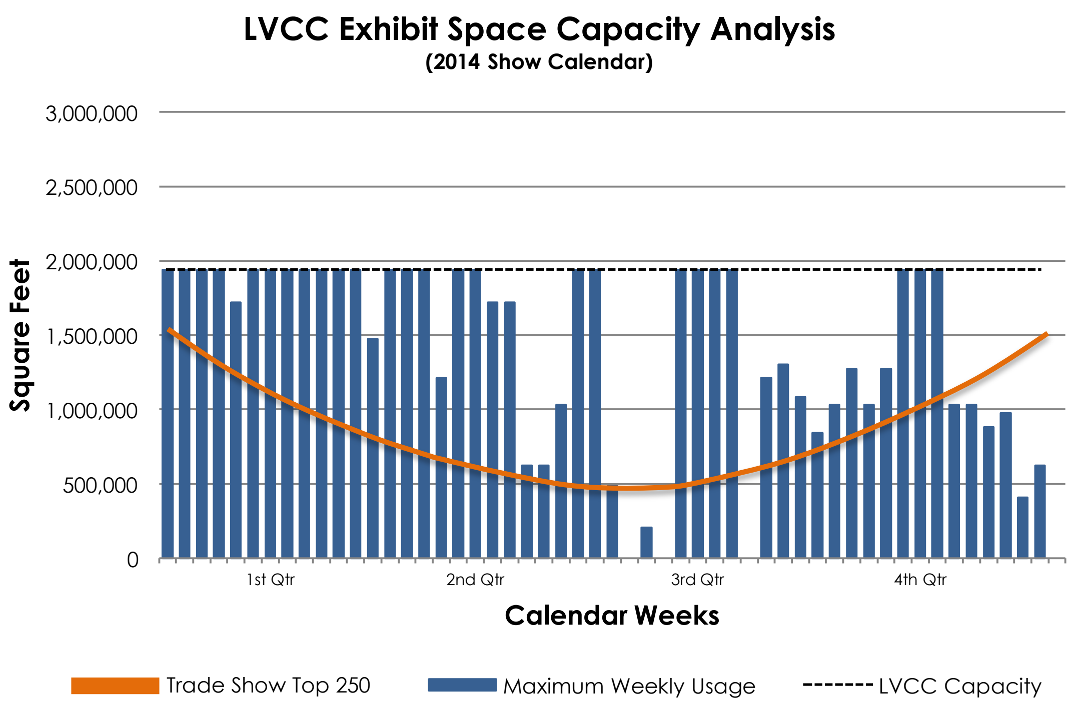
Most recently, Cordell Corporation developed a feasibility study for the renovation and expansion of the Las Vegas Convention Center. The feasibility study is contained in the appendix of this document. The feasibility study provides a comprehensive evaluation of the current facilities and its needs.

As an indication of success, the Las Vegas Convention Center continues to attract the largest trade shows in the country. The average size of the events and trade shows has increased over the last two and a half decades. Of special note is the consistent growth of the average event size after expansion of the LVCC. This has not necessarily been case in other major cities across the country after expansion of their respective facilities.

Additionally, as another indication of success, Las Vegas has been ranked the number one trade show destination for each of the last twenty one years as determined by the Trade Show News Network of the top 250 trade shows in North America.

The feasibility study produced by Cordell Corporation determined that the capacity of the current LVCC facility is reaching its physical limit of meeting the demands of exhibit space and meeting rooms for its existing trade show customer base and will be challenged to capture new opportunities.

The following illustration from Cordell's study indicates the Las Vegas Convention Center has reached a maximum utilization of available net square feet of exhibit space during primary trade show seasons.



Source: Cordell Corporation – LVCC Expansion and Renovation Feasibility Study, September 2014

Of note is the comparison of trade show occurrence at the LVCC and the national trend of the largest trade shows in the country. As shown in the graph, the LVCC trade show calendar reflects the national seasonality of trade shows.

IV. MARKET OPPORTUNITY

The recent national trend of trade shows in the US has been increasingly positive.

According to several publications, the national trade-show industry is expecting continued growth in 2015 and beyond. In their most recent forecast, the Center for Exhibit Industry Research (CEIR) has projected continued positive industry growth for 2015 (+2.8), 2016 (+2.4%) and 2017 (2.0%) based on its proprietary CEIR Index which reflects a composite of Net Square Exhibit Space, Professional Attendance, Number of Exhibiting Companies and Gross Revenue.

Additionally, the Global Business Travel Association (GBTA) puts out periodic forecasts. In their most recent projections, the GBTA predict 1.6% growth in business group travel in 2015 and another 2.5% in 2016.

Finally, Trade Show Executive predicts the 2015 year-end will result in year over year increases of 3.2% of net square feet leased, 3.0% of total number of exhibitors, 3.4% of total number of attendees and 10.2% of total revenues.

The LVCVA continues to focus on the largest trade shows in the country. As a subgroup of the total industry, the growth of the largest shows is expected to outperform the national trade show industry average.

These trends provide an opportunity to increase trade show business at the LVCC. Increased business can be captured by expanding existing shows held at the LVCC, attracting new shows from venues in other cities and securing co-location of similar trade shows.

Expansion of existing shows is directly related to the success of the shows reaching a tipping point at which the show needs additional square feet to accommodate expanding exhibits and attendance. While this is not easily quantifiable, opportunity can be demonstrated among the largest trade shows held at the LVCC; Computer Electronics Show (CES), Construction Exposition (Con Expo), and Specialty Equipment Market Association (SEMA). Each show has indicated a desire to expand their current exhibit space beyond the total available capacity of the LVCC by an amount of 300,000 to 500,000 square feet each.

The inability for the LVCC to accommodate current trade show customers' desire to expand could result in an erosion of the existing customer base – this necessitates the renovation and expansion of the convention center to protect trade show business in Las Vegas. Other cities are positioned to compete with Las Vegas with larger exhibit space and expanding facility amenities.

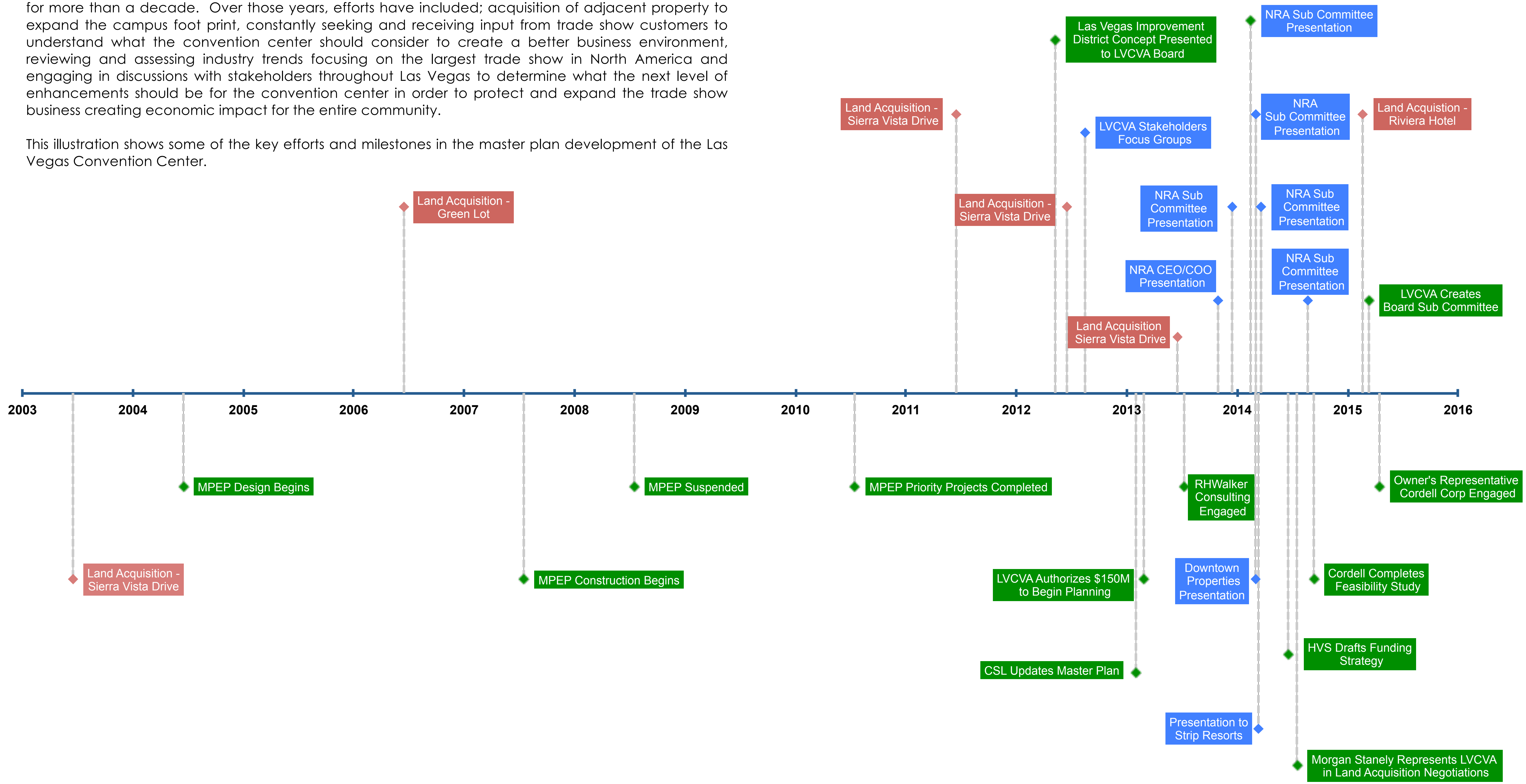
The ability to attract new shows to the LVCC depends on a number of issues. Primary among these is the contractual disposition of a trade show with a host convention center in a competing city. An internal analysis has been conducted to identify trade shows being held in other cities with commitments in the final year(s) of their contracts and trade shows that have previously expressed interest in holding events in Las Vegas.

It has been determined that renovating and expanding the LVCC facility is needed to provide a proactive response to the demand of the LVCVA's largest customers. In addition, expansion and renovation will create an opportunity to increase the leased exhibit space for all current customers and create the possibility of booking new shows relocated from competing cities.

V. DUE DILIGENCE/PREPARATION

The LVCVA has been preparing for an expansion and renovation of the Las Vegas Convention Center for more than a decade. Over those years, efforts have included; acquisition of adjacent property to expand the campus foot print, constantly seeking and receiving input from trade show customers to understand what the convention center should consider to create a better business environment, reviewing and assessing industry trends focusing on the largest trade show in North America and engaging in discussions with stakeholders throughout Las Vegas to determine what the next level of enhancements should be for the convention center in order to protect and expand the trade show business creating economic impact for the entire community.

This illustration shows some of the key efforts and milestones in the master plan development of the Las Vegas Convention Center.



VI. PHASED DEVELOPMENT PLAN

The Strategic Master Plan details the elements necessary to renovate and expand the existing Las Vegas Convention Center to accommodate current needs of our customer base and capture future trade show opportunities to increase our market share in the trade show industry. The development will be implemented in four phases. Phase One was the acquisition of the Riviera Hotel property, the planned demolition of all structures associated with the land parcel and the subsequent site improvements for outdoor exhibit space to be leased to LVCVA trade show customers. Phase Two will be the design and construction of a new exhibit hall and associated spaces to be built on the Gold Lot and the Riviera Hotel property. This new building will serve as 'swing space' to accommodate trade shows when exhibit halls in the existing facility are closed for renovation during Phase Three of development. Phase Three will be the renovation of the existing Las Vegas Convention Center. Additionally, Phase Three will add spaces to the existing facility to create a more efficient operation and enhance the customer experience. Phase Four will be the future expansion and improvements needed to increase exhibit capacity and attract new trade shows.

Phase One

Phase One was the expansion of the campus land area with the acquisition of the Riviera Hotel property. The LVCVA purchased the parcel in the spring of 2015. Completion of the demolition of the Riviera Hotel property structures is anticipated to occur in 2016. Site improvements to accommodate outdoor exhibit space is anticipated to be completed in early 2017.

Phase Two

Phase Two will include the development of a new exhibit hall and its ancillary spaces on the Gold Lot and the recently purchased Riviera property. The program elements of the new building will include the following:

1. Exhibit Hall (approximately 600,000 square feet)
2. Meeting Rooms
3. Pre-Function Space
4. Support (service corridors, public corridors, restrooms, mechanical rooms, electrical vaults, elevators, escalators, stairways, etc.)
5. Service (loading docks, receiving areas, move-in/out storage, security offices, maintenance facilities, food prep kitchens, food commissaries, food and beverage outlets, food service customer accommodations - seating, queuing areas, product display, etc.)
6. Outdoor Exhibit Space
7. Surface Parking and Transportation Zones
8. Outdoor Landscape Space (Riviera property frontage on Las Vegas Boulevard)

The total gross building area for Phase Two is projected to be approximately 1.4 million square feet. Functional layout of the elements for Phase Two will be determined during the design phase of the project.

Phase Three

Phase Three of the master plan will be renovation and additions to the existing Las Vegas Convention Center.

The following identifies some of the primary elements to be included in Phase Three:

1. Upgraded Exhibit Halls (Technology, Lighting, Elec/Data, Floors/Walls/Doors)
2. Upgraded Meeting Rooms
3. Upgraded/New East Entrance Lobby
4. Upgraded Restrooms Facility-Wide
5. Upgraded/New Food & Beverage Outlets
6. New Meetings Rooms (200,000 SF of additional meeting rooms to increase ratio of meetings rooms to exhibit floor space)
7. New Enclosed Connector Between the North, Central and South Halls
8. New Surface Parking Area (south of convention center on recently acquired property along Sierra Vista Drive)

Specific renovation plans will be developed as the design begins, including alternatives for consideration against cost/schedule.

In addition, general site improvements will focus on streetscape design, pedestrian friendly walkways (covered and uncovered), systems to move pedestrians throughout the campus (shuttle trams and moving sidewalks) and security elements such as lighting and cameras.

The schedule for renovation will be based upon the progress of Phase Two and will be coordinated with trade show schedules to mitigate disruptions of our current customers. Existing exhibit halls will be systematically taken off-line for renovation after the completion of Phase Two.

Phase Four

Phase Four is the final component of the strategic master plan and will include future improvements to the LVCC based upon prevailing market conditions and direct customer feedback. Future improvements may include expansion of the Phase Two exhibit hall building (additional exhibit space, meeting rooms, per-function space, etc.), parking structure(s), a campus media center, a general session space, a production kitchen, and a landscaped plaza along the Las Vegas Boulevard frontage of the former Riviera Hotel property.

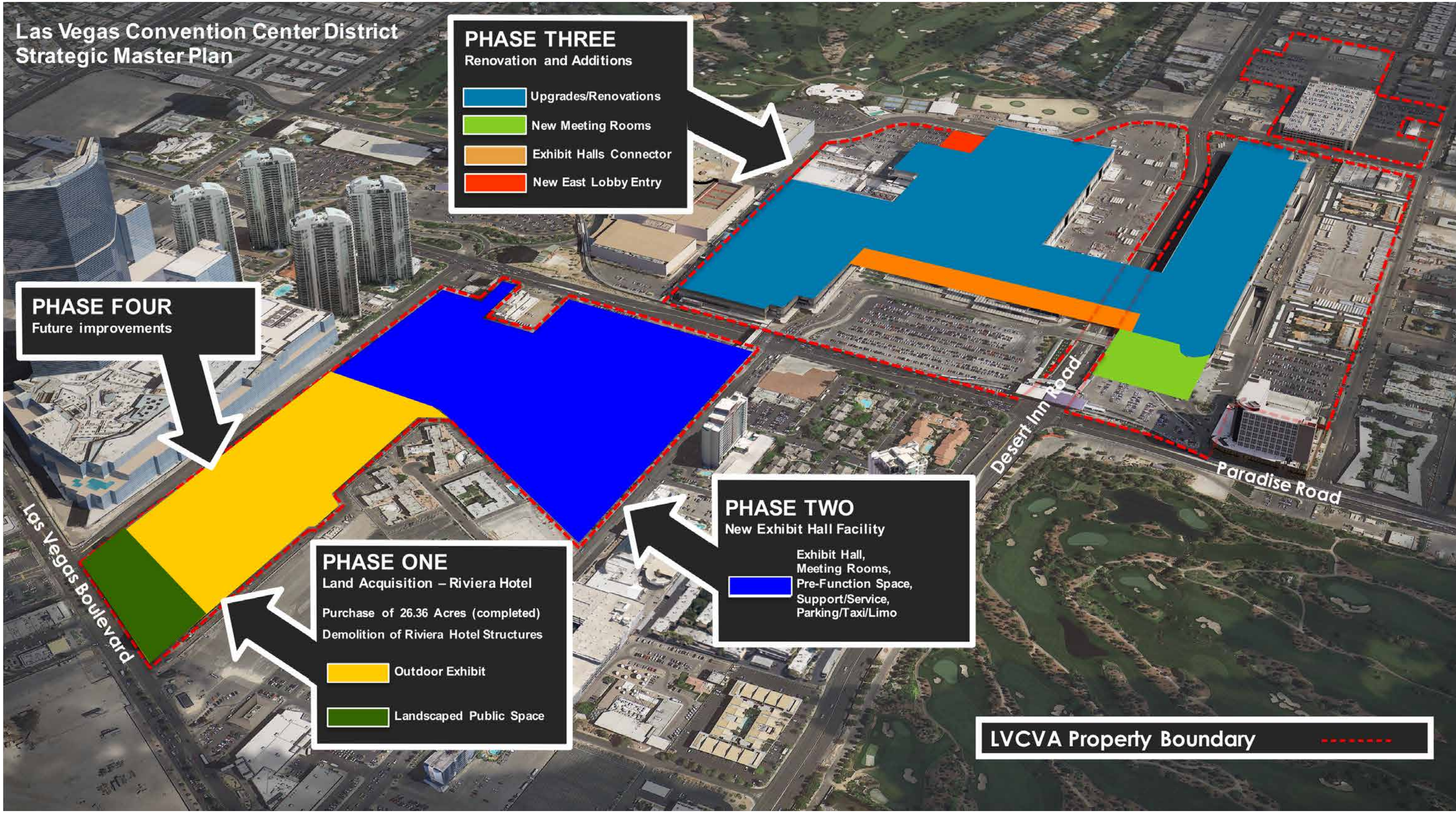
The schedule for the future Phase Four elements will be based upon the completion of Phases Two and Three and available funding for the program elements.

Budget

The costs associated with Phase One of the master plan has been included in the current operating budget of the LVCVA. The combined budget for Phases Two and Three is $1.4B. As identified in a previous section of this document, a budget for Phase Four will be determined at such time the scope of the future improvements has been defined. Implementation of Phases Two and Three of $1.4B is expected to require six to seven years.

	Description	Size
PHASE ONE Land Acquisition and Site Improvements		
	Riviera Hotel Purchase	26.36 Acres
	Demo/Site Improvements	
		Fully Funded

	Description	Size	Budget Per Phase
PHASE TWO Expansion			
	Exhibit Hall	600,000 SF	
	Meeting Rooms	150,000 SF	
	Pre-Function Space	210,000 SF	
	Support/Circulation	240,000 SF	
	Service	240,000 SF	
	Sub Total	1,440,000 SF	
		Phase Two Budget	**$860M**
PHASE THREE Renovation			
	Existing Public Spaces	3,200,000 SF	
	Addt'l Meeting Rooms	200,000 SF	
	North East Entry	75,000 SF	
	Connector Between Halls	200,000 SF	
	Support Spaces/Systems	100,000 SF	
	Sub Total	3,775,000 SF	
		Phase Three Budget	**$540M**
PHASE FOUR Future Improvements			
	Exhibit Hall Expansion		
	Media Center		
	General Session		
	Production Kitchen		
	Parking Structure(s)		
	LVCC Plaza on LV Blvd		
		Phase Four Budget	**TBD**


Las Vegas Convention Center District
Strategic Master Plan
PHASE THREE
Renovation and Additions
Upgrades/Renovations
New Meeting Rooms
Exhibit Halls Connector
New East Lobby Entry
PHASE FOUR
Future improvements
PHASE TWO
New Exhibit Hall Facility
Exhibit Hall,
Meeting Rooms,
Pre-Function Space,
Support/Service,
Parking/Taxi/Limo
PHASE ONE
Land Acquisition – Riviera Hotel
Purchase of 26.36 Acres (completed)
Demolition of Riviera Hotel Structures
Outdoor Exhibit
Landscaped Public Space
Las Vegas Boulevard
Desert Inn Road
Paradise Road
LVCVA Property Boundary

VII. FINANCIAL PLAN

The LVCVA's primary source of revenue is a 5% Clark County lodging tax, as authorized under Nevada statutes in 1957. At that time, the LVCVA received 100% of the room tax collected in Clark County. The room tax rate was increased several times over the years, exclusively for the benefit of other agencies, resulting in a total room tax rate currently averaging 12%.

The LVCVA presently has discretionary use of less than one-third of each room tax dollar collected in Clark County. This is a result of rate increases authorized for other entities combined with subsequent mandates to redirect twenty percent of the revenues collected on the LVCVA's assessed rate (5%). Mandated uses of the LVCVA's revenue include the mandatory return of 10% of the LVCVA's gross tax room tax receipts back to the collecting jurisdictions, as authorized under NRS. Additionally, the room tax revenues are further reduced by a mandate to fund $20+ million annually for principal and interest on debt service to support $300 million of bonds issued on behalf of Nevada Department of Transportation (2007 NRS).

Room tax provides approximately 82% of total new revenues annually. The second largest source of revenue to the LVCVA is facility use fees at the LVCC. These two primary sources of revenue provide substantially all of the resources available to support the LVCVA's unique dual mission of acting as both CVB and convention center operator.

The current revenue structure of the LVCVA provides adequate funding to maintain the aging LVCC facility at a baseline operational level, focusing on health, safety, preventive maintenance and modest aesthetic improvements. The revenue sources are insufficient to fund significant renovations & modernization requirements on the existing facility, or an expansion of the facility to draw additional tradeshows to Las Vegas.

The LVCVA recently acquired 26.4 acres with the purchase of the Riviera, a component of LVCCD Phase One. Demolition and improvements to the property will also be accomplished during this phase. The LVCVA has adequate financing capacity to complete Phase One supported by current revenue streams. The budget balance of $1.4 billion for Phases Two and Three will require new revenues streams sufficient to support a PayGo and debt financing program.

The LVCVA engaged HVS Consulting to conduct a comprehensive financial strategy study, to identify finance strategies in comparable convention center destinations, develop criteria and analyze the potential of new funding sources, estimate the financing capacity of the most relevant funding sources, and develop a financing plan using a combination of those sources.

The HVS study evaluated the funding sources and capital finance structures of McCormick Place Convention Center, Boston Convention and Exhibition Center, San Diego Convention Center, New Orleans Convention Center, Orange County Convention Center (Orlando), and several other facilities. Additionally, staff evaluated the operating programs of several facilities in competitive destinations. Exact comparisons to the LVCC are challenging due to the blended business activities and reporting structures of each agency; however, the information available demonstrates that public convention center costs are consistently supported through allocations of a variety of tax and fee sources, as a reflection of the economic impact those facilities generate.

Subsequent to the receipt of the HVS draft, staff developed a comprehensive pro forma through FY 2030. The pro forma incorporates all current LVCVA operational activities and existing debt obligations, including the completion of LVCCD Phase One. Projections for Phases Two and Three were then integrated to identify the potential funding gap, which is estimated to require a combination of aggregate new revenue sources totaling nearly $90MM in the first full year of collection.

APPENDIX

Copies of the following documents are available for review on the flash drive included in this booklet on the inside back cover:

1. Applied Analysis Economic Impacts Analysis
2. Cordell Corporation LVCC Expansion and Renovation Feasibility Study
3. CSL - Long Term Master Planning Analysis
4. HNTB Briefing on Customer Focus Groups
5. HVS Summary
6. LVCC Client Support
7. PBTK Land Investment Analysis
8. PKF ROI Executive Summary Draft

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LAS VEGAS CONVENTION CENTER DISTRICT

FINANCIAL PLANNING DOCUMENT

OF THE LAS VEGAS CONVENTION & VISITORS AUTHORITY
JANUARY 2016

This document has been prepared for the Southern Nevada Tourism Infrastructure Committee. The information in this report serves as a companion report to the Las Vegas Convention Center District Strategic Master Plan developed by Cordell Corporation. The strategic plan sets forth a phased approach for expansion and renovation of the Las Vegas Convention Center to meet current customer demands and to attract new tradeshows to the destination.

LAS VEGAS CONVENTION CENTER DISTRICT

FINANCIAL PLANNING DOCUMENT

EXECUTIVE SUMMARY

The Las Vegas Convention Center District (LVCCD) is a large, complex, multi-year project designed to secure the future of the Las Vegas Convention Center (LVCC), and Las Vegas' position as the No. 1 trade show destination in North America. The project will require the investment of significant financial resources, and the financial plan must ensure the necessary financial resources are identified, available, and managed throughout the life of the project.

This document is intended to provide a reasonable estimate of the funds required to support the LVCCD, without cannibalizing the budgets for current operating activities that support the Las Vegas Convention and Visitors Authority's (LVCVA) core mission of marketing Las Vegas. Like any long-term plan, the financing approach laid out in this document depends upon a number of forecasts and assumptions about future conditions. It is not intended to provide a year-by-year construction cash flow analysis, but instead to provide a financial analysis from which overarching conceptual funding needs can be drawn.

The financial analysis demonstrates the LVCVA's capacity to complete LVCCD Phase One under its current revenue structure. Phases Two and Three will require new revenue streams to support the financing program. The projected initial annual funding shortfall is $80MM.

As time passes, this plan will be modified and updated to reflect changing circumstances and financial realities. Year-by-year implementation of the plan will be carried out within the LVCVA's budgeting process and other appropriate approaches.

LVCVA

President/CEO
Rossi Ralenkotter

Chief Financial Officer
Rana Lacer

SVP of Operations
Terry Jicinsky

SVP of Marketing
Cathy Tull

PROJECT OWNERS REPRESENTATIVE:
Cordell Corporation
Terry Miller, Principal
Don Webb, Principal

PROJECT CONSULTANT:
RHWalker Consulting

TABLE OF CONTENTS

LVCVA BACKGROUND

The Las Vegas Convention and Visitors Authority is the official destination marketing organization of Southern Nevada, promoting tourism, conventions, meetings and special events. The LVCVA's mission is primarily accomplished through national and international branding, marketing and advertising campaigns, sales efforts, public relations, special events, and operation of the LVCC. The LVCVA also markets Laughlin, Mesquite, and the outlying areas of Southern Nevada. Additionally, the LVCVA operates regional offices in Washington D.C. and Chicago, IL., and operates Cashman Center (Cashman).

Established by the Nevada State Legislature, the LVCVA is legally classified as a governmental entity and is required to follow all laws and regulations for state and local governments, including Nevada Revised Statutes (NRS).

Financial management in the government and private sectors differ significantly. Government accounting methods, budgeting, financial reporting, and constraints for both revenue generation and spending activities vary greatly from the private sector environment. Additionally, debt financing sources are considerably different between the two sectors.

LVCCD PROJECT BUDGET

The LVCCD Strategic Master Plan, dated October 2015, outlines the project phasing and estimated budget for the expansion and renovation of the LVCC. The Master Plan segments the project into four phases, as summarized below.

Phase One represents the acquisition of land contingent to the current campus to provide for current and future expansion. Over the last several years, 42 acres of contingent property have been acquired, including the 26.4 acre Riviera Hotel & Casino adjacent to the LVCC campus Gold Lot. Each parcel is being cleared of previous structures and prepared for interim client use as outdoor exhibit space, freight marshaling, parking and other needs until Phase Two construction begins. The entirety of Phase One is being fully funded through the LVCVA's existing resources and funding capacity.

Phase Two includes the construction of a 600,000 square foot exhibit hall and the additional support space required for meeting rooms, pre-function, service and support. The Phase Two budget is $860MM.

Phase Three includes the renovation and modernization of the existing convention center, including the addition of meeting rooms, a Northeast entry, a connector between halls, and support spaces. The Phase Three budget is $540MM.

Phase Four represents future improvements and expansion that will be determined based on client demand and preferences. This will be re-visited after completion of Phases Two and Three. The budget for Phase Four will be determined in the future and is not included in the financing analysis conducted herein.

FINANCING TEAM

Internal LVCVA Team

Rossi Ralenkotter, *President/CEO*
As President/CEO of the LVCVA, Mr. Ralenkotter is responsible for marketing and branding Las Vegas and Southern Nevada as the world's most desirable destination for leisure and business travel. He began his career with the LVCVA in 1973 as a research analyst. Prior to becoming President/CEO in 2004, he was the LVCVA's Executive Vice President and Senior Vice President of Marketing. From the creation of the LVCVA Research Department in the 1970's, which has evolved into the premier source of tourism industry statistics in the State of Nevada, to the development of iconic marketing programming and the recognition of Las Vegas as the trade show capital, Mr. Ralenkotter's career has encompassed four decades of growth and development in Las Vegas. Mr. Ralenkotter has served in leadership positions on influential industry organizations including the U.S. Travel and Tourism Advisory Board for the U.S. Department of Commerce, U.S. Travel Association, and Brand USA. Mr. Ralenkotter has been a resident of Southern Nevada for more than 60 years and earned a Bachelor of Science degree in Marketing from Arizona State University and a Master's degree in Business Administration from the University of Nevada, Las Vegas.

Rana Lacer, CPA, CGMA, *Chief Financial Officer*
Ms. Lacer joined the LVCVA Finance Department in 2008. She began her professional career in private sector finance, then transitioned to government finance nearly fifteen years ago. Ms. Lacer has been involved in numerous municipal debt financing transactions for three government agencies in Texas, Kansas and Nevada. Her financing experience includes short term bank facilities, commercial paper, certificates of obligation, state bond banks, new money municipal bonds and refunding bonds. Ms. Lacer serves on the Committee for Capital Planning and Economic Development, under the Government Finance Officers Association. She graduated summa cum laude from Austin Peay State University and is currently attending Columbia University's Business School Executive Education program.

Shannon Anderegg, CPA, CGMA, *Senior Director of Finance & Accounting*
Ms. Anderegg joined the LVCVA in 2012 after working in public accountancy for seven years with focuses on governmental entities, casino resorts and allied industry businesses. She has performed external audit services and gaming regulatory compliance engagements for publically traded and privately owned entities. Clientele included local governments, hotel casinos, a gaming equipment manufacturer and tribal gaming development business. Ms. Anderegg holds a Bachelor of Science degree in Business Administration with an emphasis in Accounting and a Master's degree in Accounting from the University of Nevada, Las Vegas.

Independent Financial Advisors

JNA Consulting Group, LLC (JNA) and Montague DeRose (MDA) have served as the Authority's primary financial advisors since 2013. JNA and MDA are independent financial advisory firms providing advisory and consulting services to municipal governments. JNA serves as advisor to the State of Nevada, Washoe County School District and the Nevada System of Higher Education, among others. MDA serves as advisor to the City of Los Angeles in connection with its convention center expansion, advises the State Treasurers of California and Washington, and has worked on the State of California's $2 billion commercial paper program since 1996. The JNA/MDA team has served as a financial advisor to the State of Nevada since 2001.

Marty Johnson, the primary LVCVA representative, has extensive experience working with multiple Nevada agencies and the legislature, and sits on the Committee on Local Government Finance (CLGF). He has developed financial models used by the State of Nevada, Washoe County School District and numerous other entities to evaluate the capital funding ability.

JNA has more than 40 years of experience with a broad array of financings including general obligation bonds, revenue bonds, assessment district bonds, redevelopment bonds, industrial development bonds, and certificates of participation. They have facilitated transactions covering transportation, education, water and sewer, healthcare, and general government financing. Cumulatively, JNA has advised on more than 500 bond issues, exceeding $15 billion.

Bond Counsel – Public Finance Transactions

Sherman & Howard LLC (S&H) is a regional firm with a national practice. Jennifer Stern serves as the lead attorney representing the LVCVA.

S&H serves a broad range of clients, including individuals, privately held businesses, multi-national corporations and government entities. The firm represents a vast array of governmental entities in the State of Nevada, including the State, counties, cities, school districts, convention and visitor authorities, general improvement districts, fire protection districts, water authorities and districts, flood authorities and districts, airport authorities and hospital districts. S&H has vast experience in public finance transactions, such as general obligation bonds, revenue bonds, medium-term bonds, general obligations additionally secured by pledged revenues, and installment purchase and lease purchase financings.

Additional Financial Experts

HVS Global Hospitality Services, Convention Sports and Entertainment (HVS)
HVS has performed hundreds of assignments around the world analyzing the feasibility of convention and conference centers, headquarter hotels, arenas, stadiums, event and civic centers, performing arts facilities, hospitality developments, tourism attractions, water parks, entertainment and urban development districts and museums. The LVCVA engaged HVS to conduct a study of the financing alternatives and strategies for the LVCCD. The analysis included a review of the LVCVA's projected funding capacity, the projected funding shortfall, and potential funding sources to support the project budget. The results of that analysis are discussed in the Debt Capacity section of this document.

Specialized Public Finance Inc. (SPFI)
SPFI is an independent firm based in Texas dedicated exclusively to providing financial advisory services to select governmental entities. Combined, the firm's advisors have more than 100 years of public finance experience. The LVCVA engaged SPFI to conduct a debt capacity analysis in 2012/2013 during the transition period of selecting a new permanent financial advisory team. The results of that analysis are also discussed in more detail in the Debt Capacity section of this document.

Morgan Stanley & Co. LLC (Morgan Stanley)
The LVCVA engaged Morgan Stanley to provide real estate financial advisory services in connection with the strategic land acquisition of the real property assets of the Riviera Hotel & Casino. Their engagement included providing advice with respect to defining land acquisition objectives, performing valuation analyses, cost analyses, as well as structuring, planning and negotiating the transaction on behalf of the LVCVA. By market share, Morgan Stanley is ranked No. 1 in real estate mergers & acquisitions transactions over the past 10 years. Edward King served as the LVCVA's lead advisor during the engagement. Mr. King is Managing Director and Global Head of Morgan Stanley's gaming practice, providing clients in the gaming sector with strategic advice on mergers, acquisitions and asset purchases, and assistance raising debt and equity capital in the private and public markets.

Future Advisory Engagements

The LVCVA will engage additional representation for specialized financial and legal services as appropriate. The timing and nature of the services will be identified in alignment with the progress of the LVCCD and the nature of the underlying financial strategies pursued. For example, specialized strategic advisors will be used to further any public-private partnership initiatives, develop practical solutions for implementation, and management of those potential relationships.

FINANCIAL INTEGRITY, AWARDS, AND RECOGNITION

The LVCVA has demonstrated a commitment to financial management, best practices, and accounting standards. The organization has received unmodified (i.e. clean) audit opinions every year of its existence. Additionally, the finance team ensures that all new regulatory standards are implemented on or before the required dates. The most recent Comprehensive Annual Financial Report (CAFR) is posted on the LVCVA's website, along with previous years' CAFRs, budgets, financial policies and other relevant financial information to ensure transparent access to the public. For more information, refer to the Additional Financial Information Available section of the document.

The finance team is recognized consistently for performing at the highest standards in government sector financial oversight, as proven through the following annual recognitions:

Government Finance Officers Association of the United States & Canada (GFOA)

Certificate of Excellence in Financial Reporting – 31 consecutive years

Distinguished Budget Presentation Award – 27 consecutive years

Popular Annual Financial Reporting Award (PAFR) – 8 consecutive years

National Procurement Institute (NPI)

Excellence in Procurement Award – 20 consecutive years

Outstanding Agency Award – 2015 (NEW)

EVOLUTION OF CORE MISSION – PROGRAMS & INITIATIVES

In the early 1950's, Southern Nevada's community leaders realized the cyclical nature of tourism caused a significant decline in the number of visitors during the weekdays, throughout the summer months, and over the holiday season. In order to attract more visitors to the area during slow periods, a new market was needed - convention travelers. This idea became the seed that blossomed into the development of the LVCC. The LVCVA was established by the Nevada Legislature in 1955 as the Clark County Fair and Recreation Board. Its function was to operate the LVCC and promote Southern Nevada as a convention-tourism destination. In the early years, marketing efforts focused on regional and national advertising campaigns and the operation of a convention facility with 150,000 square feet of leasable space. LVCVA programs and facilities have evolved tremendously since those early days.

Today, the LVCVA is a global leader in the tourism industry and the LVCC is the busiest convention center in North America, with almost two million leasable square feet of space. Combined with the other centers in the destination, Las Vegas has been recognized as the No. 1 tradeshow destination for 21 consecutive years, hosting more of the top 250 tradeshows than any other destination.

The LVCVA's outreach and strategies to drive visitation to Southern Nevada have evolved exponentially over the decades. The following programs reflect just a few of the dynamic changes implemented by LVCVA leadership to ensure the continued growth of our largest economic engine:

Special Events

In 1983, the LVCVA began partnering with **Las Vegas Events Inc**. (LVE) to promote and encourage special events that in turn, stimulate tourism and provide media exposure to drive people into town. Events sponsored range from rodeos (i.e. National Finals Rodeo) to golf (i.e. Mesquite Long Drive Championship) and from auto races (i.e. NASCAR, Primm 300 Off Road Race, NHRA Drag Races) to music events (i.e. Electric Daisy Carnival and the Laughlin Town Concerts) as well as award shows (i.e. Academy of Country Music Awards) and other sporting events (i.e. USA Sevens Rugby Tournament).

LVCVA HAS PROVIDED LVE OVER $180MM IN FUNDING SINCE 1983 FOR OVER 600 SPECIAL EVENTS.

Cashman Center

In 1983, the LVCVA constructed and opened **Cashman Center**. Cashman is a multi-purpose facility encompassing 483,000 square feet on a 55-acre site near downtown Las Vegas. It includes a 10,000-seat baseball stadium which is home of the Las Vegas 51s, the AAA affiliate of the New York Mets. The facility also features a 1,922-seat theatre, more than 98,000 square feet of exhibit space, and 14 meeting rooms.

Each segment of the facility is capable of functioning independently or in any combination for conventions and trade shows, business and group meetings, theatrical presentations, and sporting events.

Public Safety

1991 marked the first year of a long running partnership with the **Las Vegas Metropolitan Police Department** (Metro), with the introduction of an off-site swing shift bike patrol unit. Since that time, the LVCVA has funded over $30MM for public safety infrastructure and programs in the tourism sector including land acquisition and construction of the Metro Convention Center Area Command ($27.6MM). The LVCVA continues to carry debt service requirements in excess of $1MM annually associated with the Metro construction through fiscal year (FY) 2038.

SINCE 1991, THE LVCVA HAS FUNDED OVER $30MM FOR PUBLIC SAFETY.

Additionally, the LVCVA fully funds the costs for an Intelligence Analyst for the Southern Nevada Counter-Terrorism Center (cumulative $600,000 since 2010). Other contributions include funding for Metro's Safe Strip Initiative, hosting the International Tourism Safety Conference, and facility use for public safety training and events for over 17 local, state and federal agencies. LVCVA also provided land for a Clark County Fire Department sub-station on the LVCC campus.

Innovative and Award-Winning Branding

IN 2011, THE LVCVA SLOGAN, "WHAT HAPPENS HERE, STAYS HERE" WAS NAMED TO THE MADISON AVENUE ADVERTISING WALK OF FAME.

In 2003, the LVCVA launched the most successful branding campaign in tourism history, which is best known for its oft-repeated tagline, "**What Happens Here, Stays Here**". In 2004, the LVCVA won the coveted Brandweek Grand Marketer of the Year Award, followed by an induction into the Madison Avenue Advertising Walk of Fame in 2011.

In 2004, the LVCVA introduced **Diversity and LGBT** programming with the implementation of targeted marketing initiatives focused on key vertical markets. Programming expanded in 2012 with the addition of staff and resources dedicated to **Cultural, Medical and Wellness Tourism**.

Tourism Transportation Infrastructure

In 2007, the Nevada legislature passed Assembly Bill 595, requiring the LVCVA to dedicate a portion of its room tax revenues to fund transportation infrastructure projects within the Southern Nevada tourism corridor for the **Nevada Department of Transportation** (NDOT)**.** In accordance with the legislative mandate, the LVCVA issued a series of bonds between 2008 and 2010 totaling an aggregate principal amount of $300MM. The annual debt service averages $20MM per year and funding obligations mature in FY 2039.

THE LVCVA HAS PROVIDED $300MM FOR NDOT INFRASTRUCTURE PROJECTS.

NDOT has used the funds to complete several major projects including the I-15 Express Lanes and I-15 South Design-Build project. The remaining proceeds are funding a project that includes improvements to pedestrian bridges, sidewalks, barriers, and escalators at the intersection of Tropicana Avenue and Las Vegas Boulevard.

Airline Development

In 2007, the LVCVA began dedicated **Airline Development** programming, partnering with McCarran International Airport to maximize air carrier outreach efforts, leveraging relationships with senior level airline route development planners, and making the business case for Las Vegas as a viable destination for international and domestic air carriers. Hosting aviation industry events such as the World Routes Conference, Routes America, CAPA and the Boyd Aviation Conference has provided influential air development professionals with firsthand destination knowledge and experience. As a result, international airline seats grew 48% from 2007 to 2015, according to Diio Schedule Data.

International Marketing

2008 marked the beginning of a new era for the LVCVA's **international marketing strategies**. Although the LVCVA has had international representative offices in targeted markets for more than 20 years, a dedicated International Sales Department was created in 2008 and the scope and scale of international office programs were significantly increased. Resources were devoted to global marketing programs and advocacy for policies that increase opportunities to attract more international visitors. Today, the LVCVA has 12 international offices and invests more than $6.5MM annually in these efforts. The number of international visitors has grown from 4.6 million in 2005 to 7.8 million in 2014. There are very few places on earth that have not been exposed to and recognize the Las Vegas brand. The LVCVA operates international representative offices in Canada, Mexico (covering Mexico and Central America), United Kingdom, Australia (covering Australia and New Zealand), China (covering China, Singapore and Taiwan), Brazil (covering all of South America), South Korea, Germany (covering Continental Europe except for France), Japan, Ireland, France and India.

THE NUMBER OF INTERNATIONAL VISITORS HAS GROWN FROM 4.6MM IN 2005 TO 7.8MM IN 2014.

Advocacy

Over the last decade, the CEO and executive team have significantly expanded **advocacy efforts** to represent Las Vegas and promote and grow tourism. The LVCVA is represented through staff memberships and board positions on numerous national and international organizations such as the US Travel Association (USTA), US Travel and Tourism Advisory Board (TTAB), Brand USA, Pacific Asia Travel Association, Corporate Event Marketing Association and the International Association of Exhibitions and Events. Leadership positions in these important organizations enables the LVCVA to expand the reach, influence, and impact of the Las Vegas brand while addressing issues that affect domestic and international travel.

> ROSSI RALENKOTTER'S BOARD REPRESENTATION INCLUDES: BRAND USA, USTA (PAST CHAIR), AND TTAB (PAST CHAIR).

Expansions

Since opening in 1959 with 150,000 square feet of exhibit space, the LVCC has expanded to accommodate the growing convention business. **A total of seven expansions** have been completed, which brings the LVCC's total footprint to 3.2 million square feet.

Today

In FY 2016, the LVCVA's gross authorized room tax rate of 5% remains unchanged from the rate originally authorized in 1959. The LVCVA has never requested additional public funds to support operating programs or capital projects. Over the years, many other entities have been authorized incremental rate additions, so that the total lodging tax rate levied now averages 12%. As Las Vegas experienced immense growth in the number of rooms, the average daily rates also climbed. This lead to the growth in room tax revenue collected. The LVCVA continues to successfully utilize its incremental portion of room tax growth to cultivate methods which drive more tourism for the benefit of Southern Nevada and the state as a whole.

> THE LVCC OPENED IN 1959 WITH 150,000 SQUARE FEET. TODAY LVCC'S TOTAL FOOTPRINT IS 3.2MM SQUARE FEET.

- Visitation has grown from less than five million annual visitors to over 42 million.
- Room inventory in the metropolitan area has grown from less than 20,000 rooms to nearly 150,000.
- Conventions and meetings held in the LVCC have grown from eight in the initial year to 49 in 2015, growing convention attendance from 22,519 to 1.3 million.

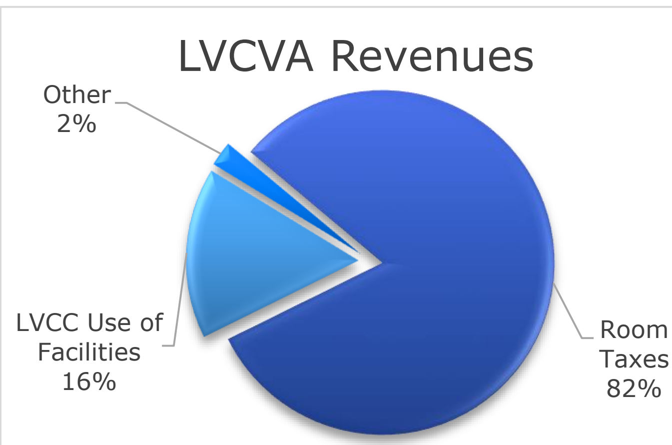
Over the last six decades, the LVCVA has demonstrated the ability to effectively use its available resources to expand programs and strategies that ensure Las Vegas and Southern Nevada remains a premier travel destination for both domestic and international visitors, representing both leisure and business travelers.

FINANCIAL OVERVIEW: SOURCES & USES OF CURRENT FUNDING

Prior to embarking on significant new capital programs, the LVCVA reviews its operating activities, financial conditions and prevailing economic trends to ensure its ability to support the project funding plan without detriment to the core mission to drive visitation. Historical trends and context on current revenue and expenditures are provided below. This analysis served as foundation for the development of the LVCCD pro forma assumptions.

CURRENT SOURCES OF FUNDING

The LVCVA currently funds ongoing operating programs and services primarily from the revenues generated by its authorized room tax rate and supplemented by facility use fees generated at the LVCC. Room tax provides approximately 82% of total revenues each year. LVCVA's other resources include LVCC facility use fees which generate about 16% of total revenues. The remaining 2% is derived mainly from building partner rent, interest earnings, and facility use fees from operations at Cashman.

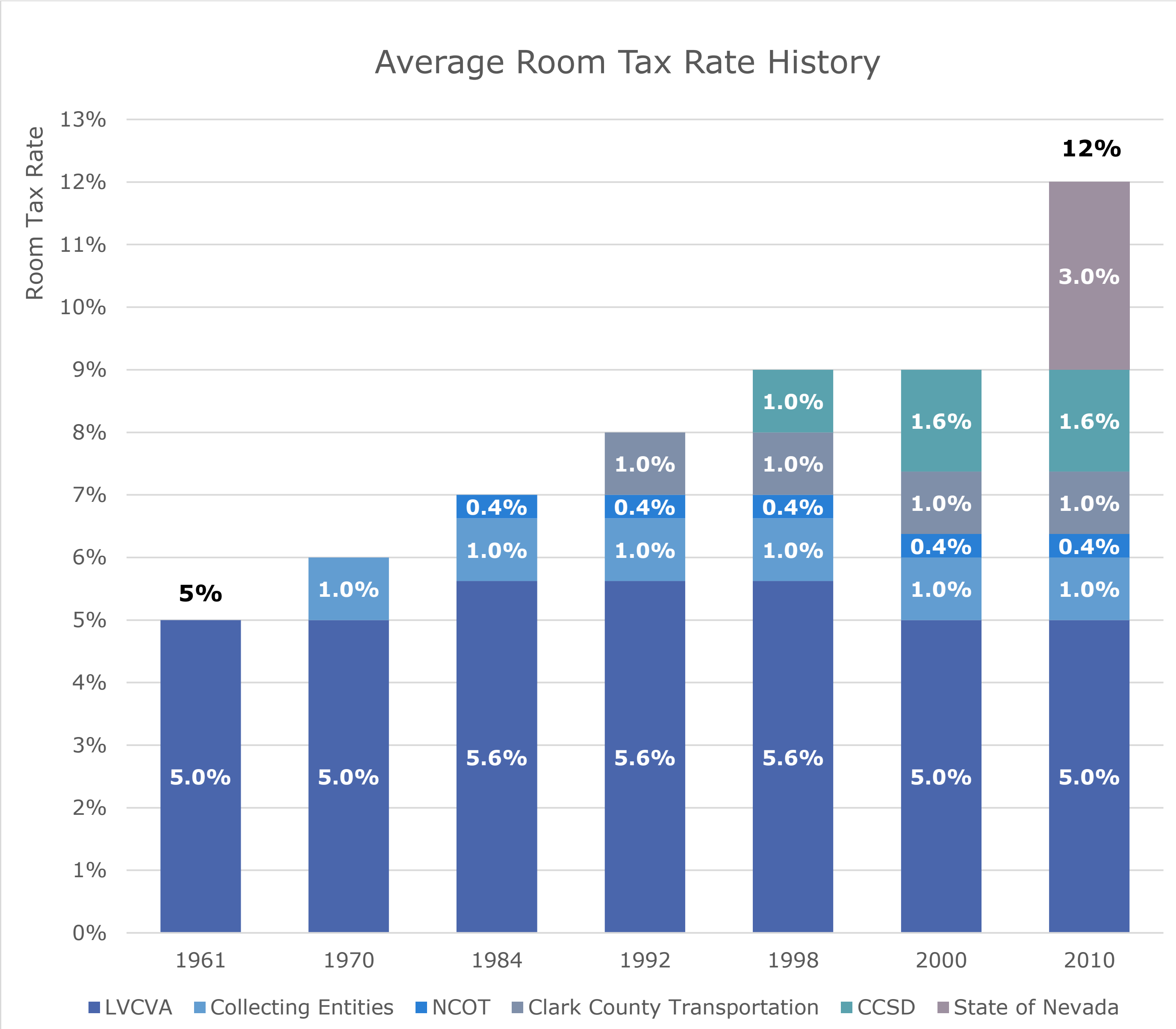


As with many government entities, the LVCVA has no significant direct control of its primary revenue stream. The revenue structure is also highly dependent on a single source which has shown high volatility in the past decade. Investors expect budget developments to address this primary construct, so utilizing trends and conservative estimates on growth are necessary in long-term financial planning. To prepare forecasts for the future, both long-term and near-term room tax trends were examined.

ROOM TAX

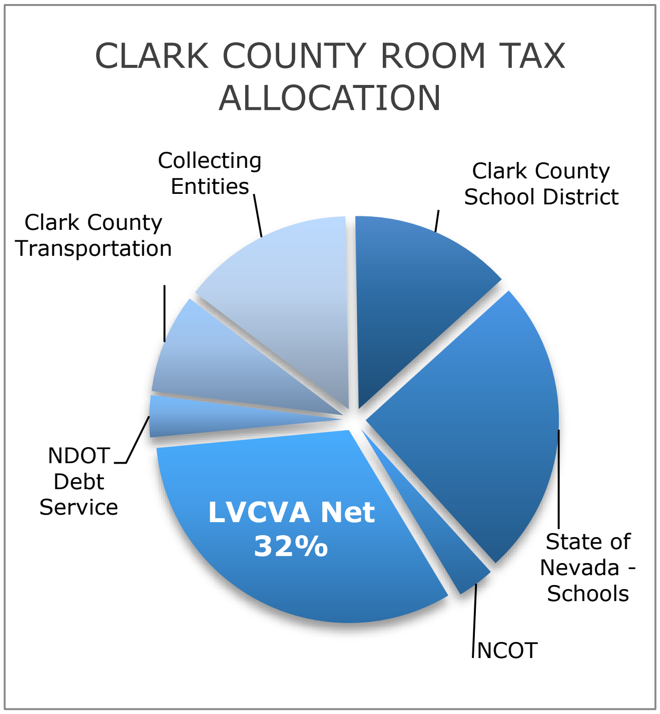
The LVCVA receives room tax by authorization of the Nevada State Legislature [NRS 244.335(6) (County) and NRS 266.095 (1)(b)(5)]. Any increase in the tax rate must be approved by the Legislature. The portion of the room tax received by the LVCVA is 5% and is levied on hotels, motels, and other lodging establishments throughout Clark County, Nevada and the incorporated cities. In addition, room tax levies for other entities have been Legislatively authorized over time and are indicated in the following graph. The average room tax rate in all of Clark County, including all levies, is 12%.

ANY INCREASE IN THE ROOM TAX RATE CAN ONLY BE ACCOMPLISHED BY ACTION OF THE NEVADA STATE LEGISLATURE.



Beyond the LVCVA's 5%, room tax received by other entities is for the following purposes:

- **Collecting Entities** (Clark County and the following cities: Boulder City, Henderson, Las Vegas, Mesquite, and North Las Vegas), 1-2%: allocated to their General Fund to be used at each entity's discretion.
- **Clark County School District** (CCSD), 1 5/8%: restricted for capital projects and school construction. 5/8% was originally directed to the LVCVA in 1984 to fund special events, but was subsequently diverted to the CCSD.
- **Clark County Transportation**, 1%: restricted for the construction and maintenance of vehicular traffic projects within Clark County.
- **State of Nevada**, 3%: allocated to a General Fund line item designated for education funding.
- **State of Nevada**, 3/8%: allocated to the Nevada Commission on Tourism (NCOT), to be utilized for the promotion of tourism statewide.



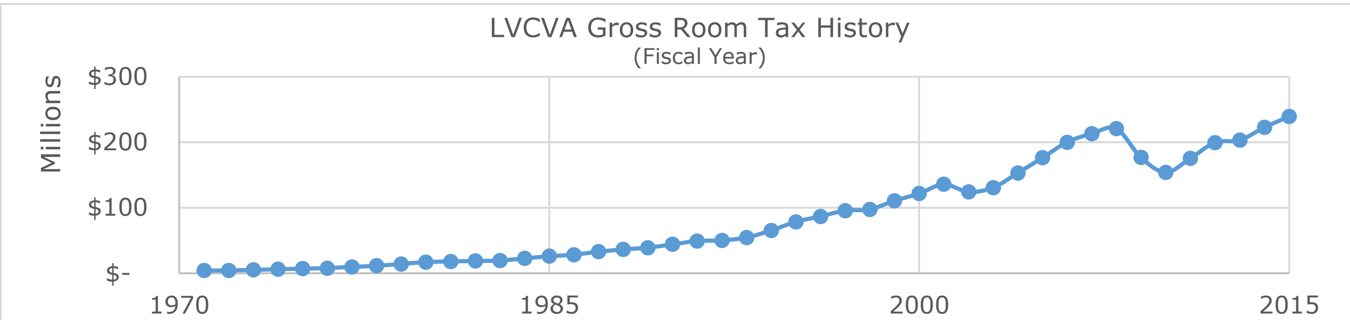
From the LVCVA's statutorily authorized rate of 5%, the LVCVA benefits from a net room tax rate of 4.2% (FY 2015). This is the result of legislative action over time that reassigned portions of the 5% levy for other purposes: 1) A collection allocation fee of 10% of all room tax collected on behalf of the LVCVA is returned to the collecting jurisdictions, as authorized under NRS 244A.645 which states the LVCVA may, "Defray the reasonable costs of collecting and otherwise administering such taxes from not exceeding 10 percent of the gross revenues so collected…"; 2) the LVCVA is obligated to fund annual principal and interest payments of over $20MM annually to support bonds issued on behalf of the Nevada Department of Transportation resort corridor infrastructure improvements. The debt obligations extend through FY 2039.

The ultimate effect is that the LVCVA benefits from room tax revenue of 1/3 of the total amount levied on the visitor. Since room tax is the LVCVA's primary revenue source, a thorough review of the underlying factors was critical to the pro forma development. A comprehensive history of all room tax generated in Clark County since inception is also attached as a supplement to this report.

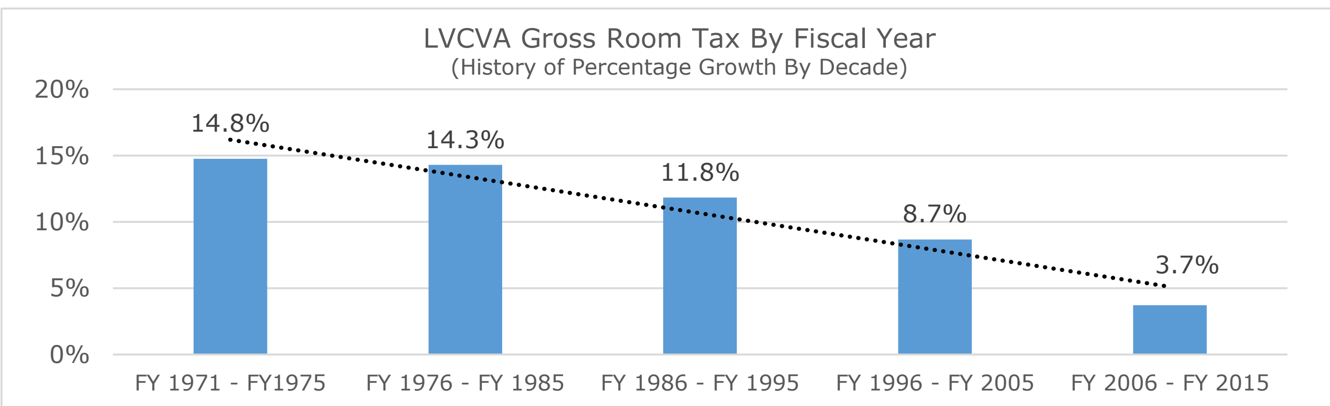
FY 2016 COUNTY-WIDE ESTIMATES OF ROOM TAX			
LVCVA Retains for Operations & Marketing		**$ 199,399,141**	**32.2%**
4 - 5% distributed to LVCVA	$ 245,100,000		
(Less Collection Allocation Remitted to Entities)	(24,510,000)		
(Less Debt Service for Transportation)	(21,190,859)		
Portion Distributed to Entity / Jurisdiction		**87,610,000**	**14.1%**
1 - 2% Room Tax Retained by Entity	63,100,000		
Collection Allocation to Entities	24,510,000		
Clark County Transportation (1%)		**52,000,000**	**8.4%**
Clark County School District - Capital (1 5/8%)		**84,500,000**	**13.6%**
Nevada Department of Transportation		**21,190,859**	**3.4%**
State of Nevada Schools - Operating (3%)		**155,000,000**	**25.0%**
State of Nevada Tourism (3/8%)		**19,500,000**	**3.1%**

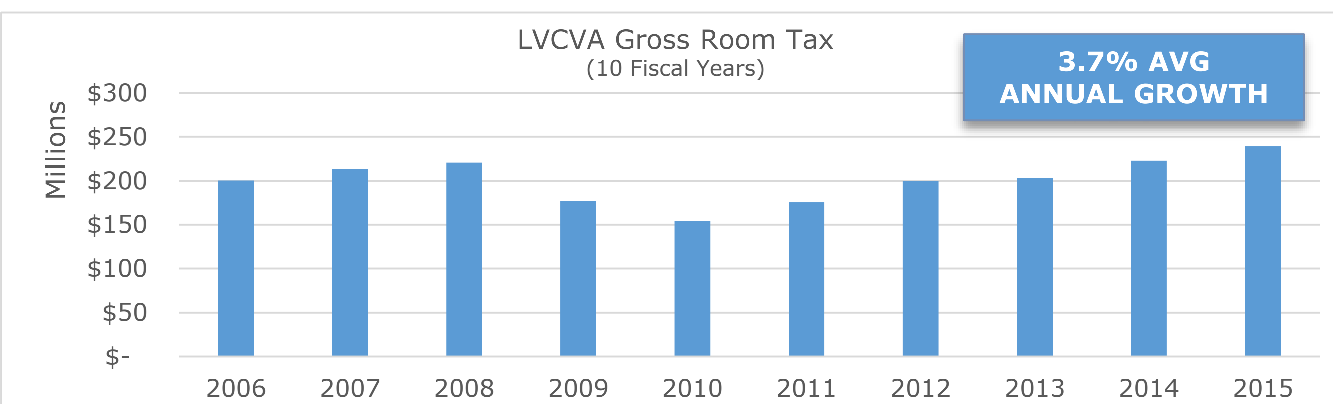
Room Tax Revenue Trends

Room tax revenue results are driven by the average daily taxable room rental rate (ADR), the numbers of rooms in inventory, and occupancy levels. ADR is controlled by the hotels and is strengthened or weakened by visitor demand combined with the number of rooms available. LVCVA only has an indirect ability to increase this revenue stream through promotion of the destination, which drives visitation. This increases occupancy and creates upward pressure on ADR.



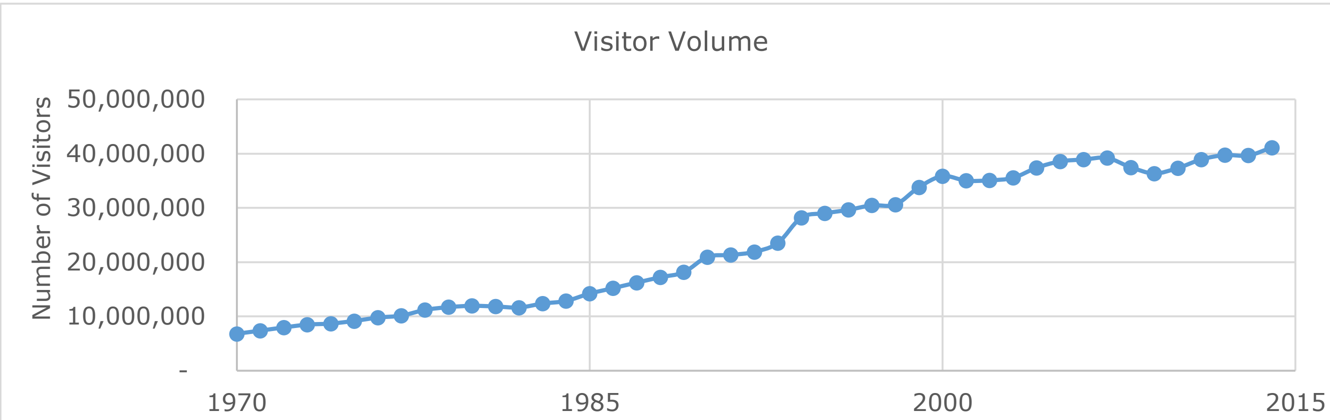
LVCVA gross room tax revenue grew from $4.0MM in FY 1971 to $239.0 MM in FY 2015. Room tax results reflected unprecedented volatility over the last 15 years, dipping as much as 14% in a single year. When evaluating room tax history by 10-year increments, distinct trends appear. Growth as a percentage by decade has been steadily declining. The most recent 10-year period realized less than 4% annualized growth.

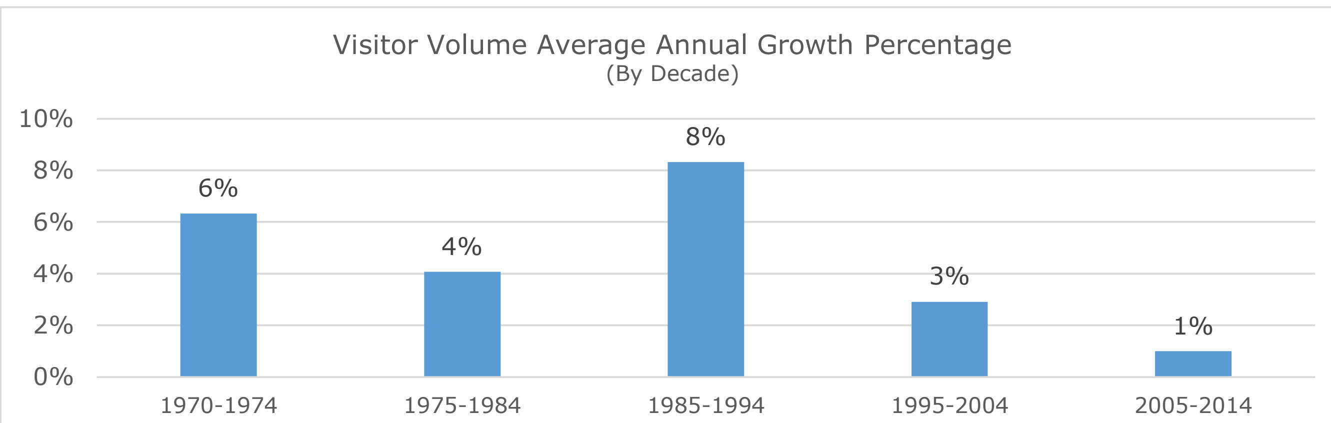


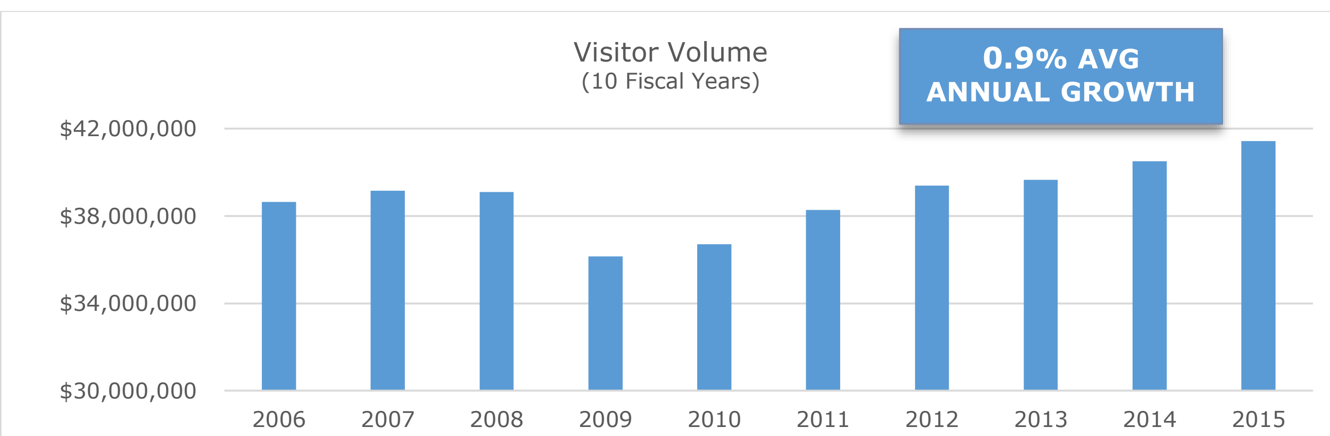


Metropolitan Las Vegas Visitor Volume

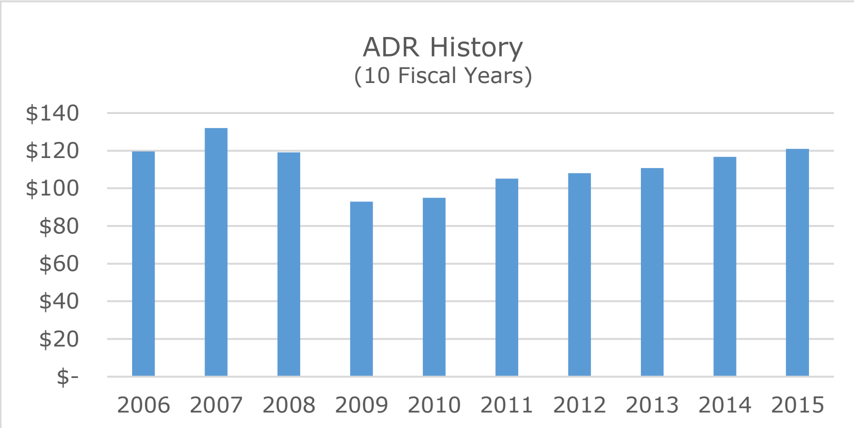
Metropolitan Las Vegas includes The Strip, Downtown, and surrounding cities, but excludes the cities of Laughlin and Mesquite. Average visitor volume growth per year since 1970 is 4%. Visitor volume increased from 6.8 million in 1970 to over 42 million in 2015. Though this was a record-breaking year for total visitors to the destination, annual growth over the last 10 years has averaged 1% per year. This moderate growth trend is expected to continue in future years.







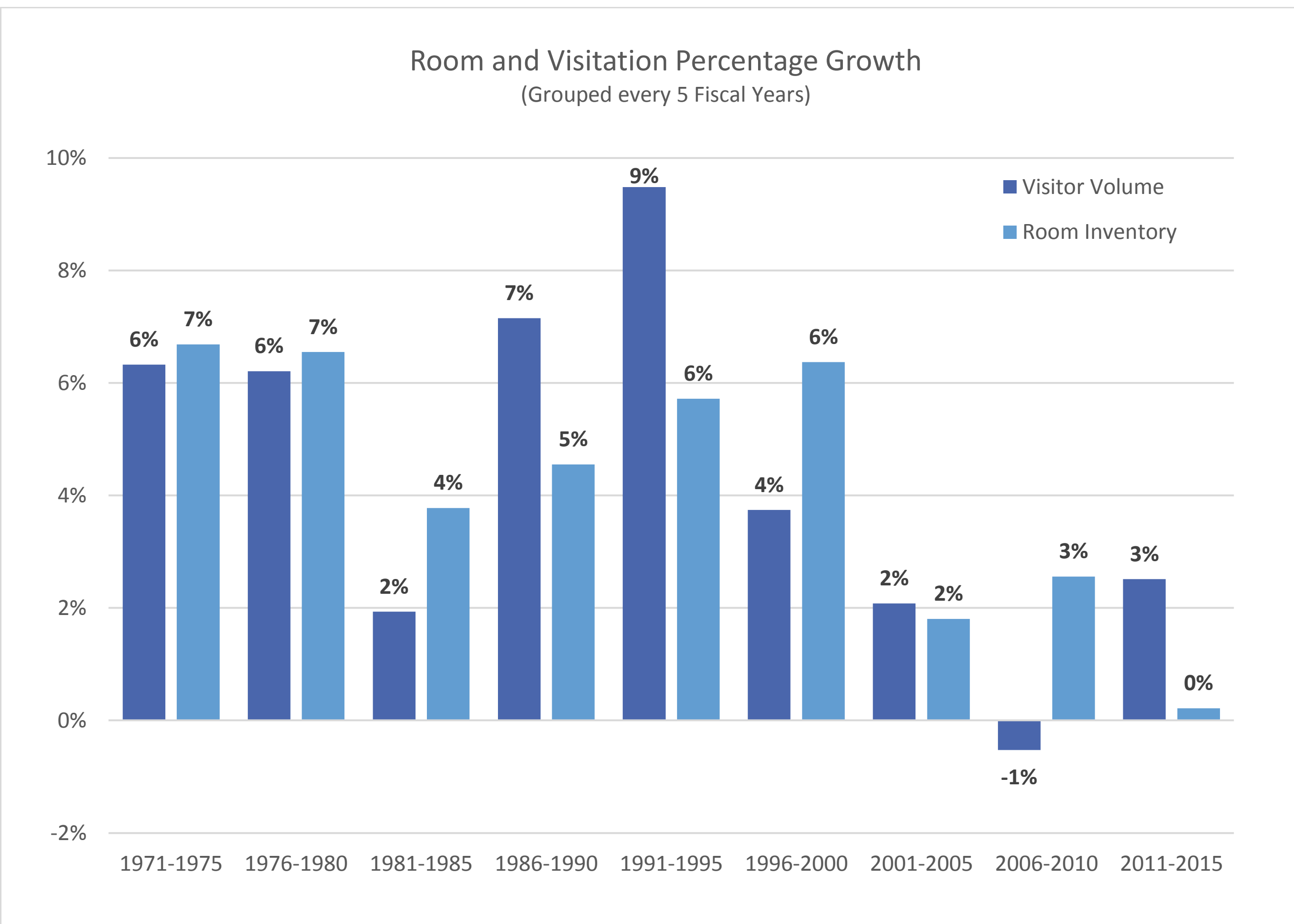
ADR Trends



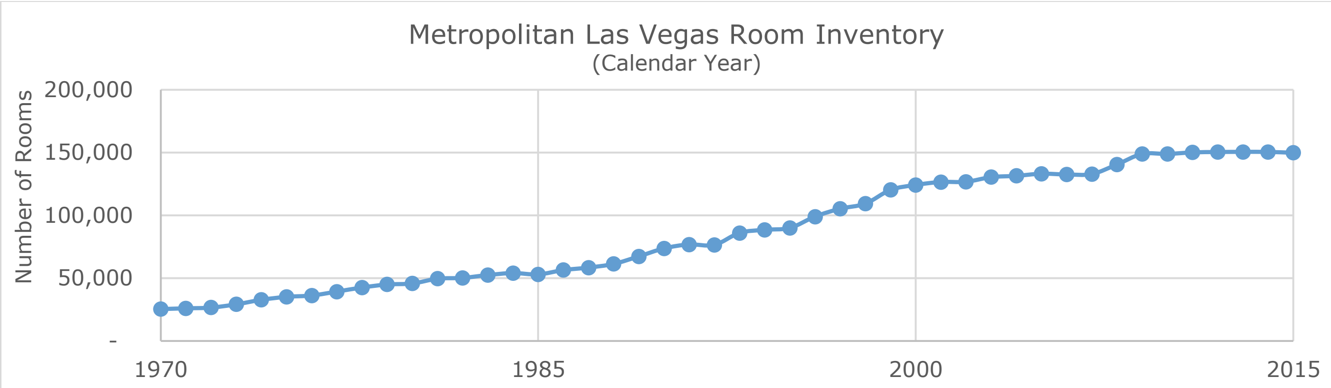
Changes in room tax revenue are mainly due to fluctuating ADR, which the hotels adjust daily to drive occupancy and fill rooms, especially during seasonal slow periods and economic downturns. The volatility of ADR was documented during the recession where it experienced the most significant dip of all the room tax factors.

Visitor Volume & Room Inventory

Room inventory development by private industry has historically been consistently correlated with visitor volume growth. During the most recent recession, room inventory increased as visitor volume decreased. Visitation since the recession has trended to fill the current inventory. Trends and industry accouchements indicate modest growth in room expansion is expected for the next few years.

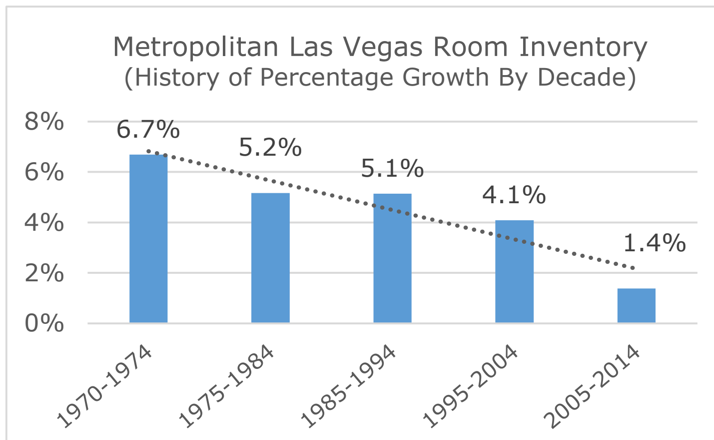


Metropolitan Las Vegas Room Inventory

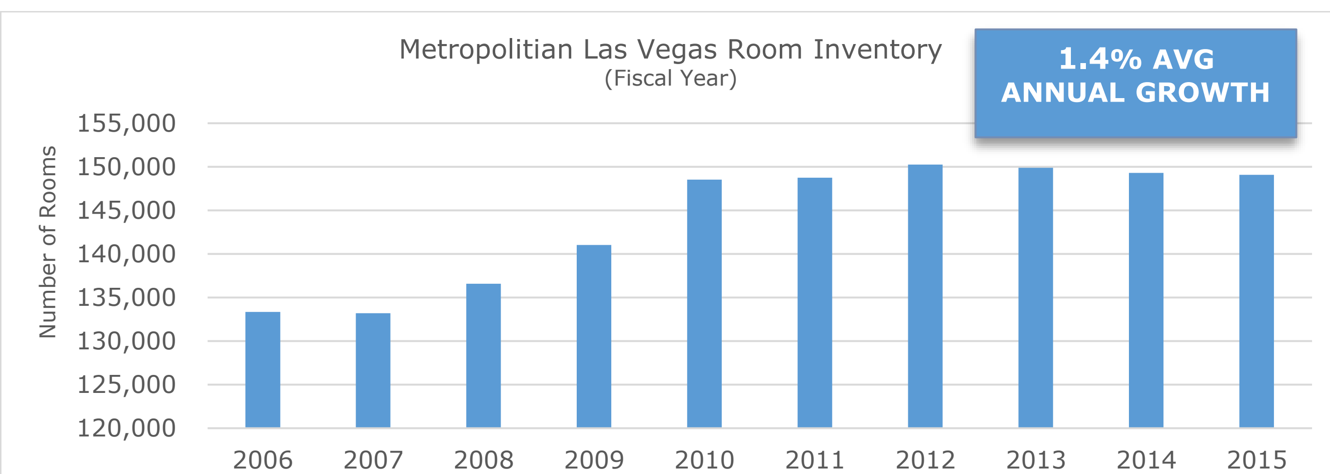


Room inventory in the Las Vegas metropolitan area was 25,400 in 1970 and increased to nearly 150,000 by 2015. Rooms were added at an average annualized pace of 4% growth since 1970; however, that pace drops to just over 1% when assessing the most recent decade.

Room inventory growth as a percentage reflects a downward trend as the destination has matured. Although there may be another explosive spike in mega-resort construction in the future and significant additions to room inventory, those opportunities are indeterminate at this time. Near-term announcements of additional rooms reflect continued modest growth, in alignment with supporting incremental new visitation from the business and meetings sector.



The most recent 10-year period reflects an average annualized increase in room inventory within the Las Vegas metropolitan area of just over 1%.



REVENUE FROM LVCC FACILITY USE

The LVCVA owns and operates two facilities, the LVCC and Cashman Center. Use of Facilities revenues are generated through a variety of rental charges (i.e. exhibit halls, meeting rooms, equipment and parking lots, along with concessions and contractor services commissions). As with most government activities, these facilities were never intended to be self-supporting, but rather to generate visitors to the Las Vegas area, especially during midweek periods. These visitors, in turn, contribute a substantial economic impact on our overall economy and benefit the citizens.

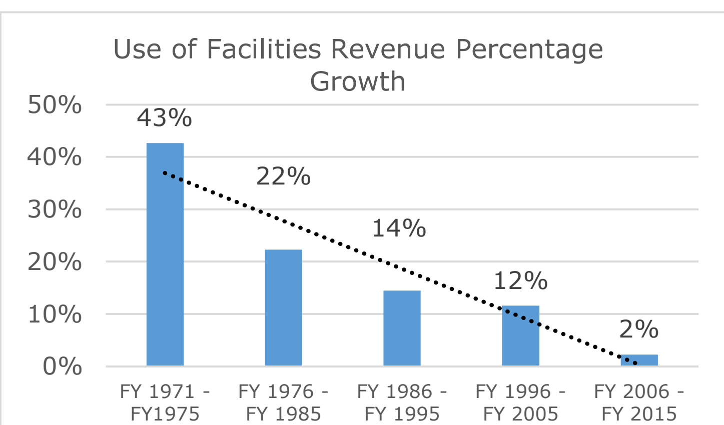
Year	LVCC Gross Exhibit Space	Cashman Gross Exhibit Space	Total Gross Exhibit Space
1959 - 1967	150,000	-	150,000
1968 - 1972	240,000	-	240,000
1973 - 1977	379,000	-	379,000
1978 - 1981	581,000	-	581,000
1982 - 1998	708,000	98,000	806,000
1999 - 2001	1,032,135	98,000	1,130,135
2002 - present	1,940,631	98,000	2,038,631

Note: Does not include temporary exhibit space

HISTORY OF RENTAL RATES - LAS VEGAS CONVENTION CENTER	
5 cents per net square foot	1959-1988
15 cents per net square foot	1988-1998
20 cents per net square foot	1998-2001
25 cents per net square foot	January 2002 - June 2009
29 cents per net square foot	July 2009 - June 2016
33 cents per net square foot *	July 2016 - June 2018
35 cents per net square foot *	July 2018 - TBD

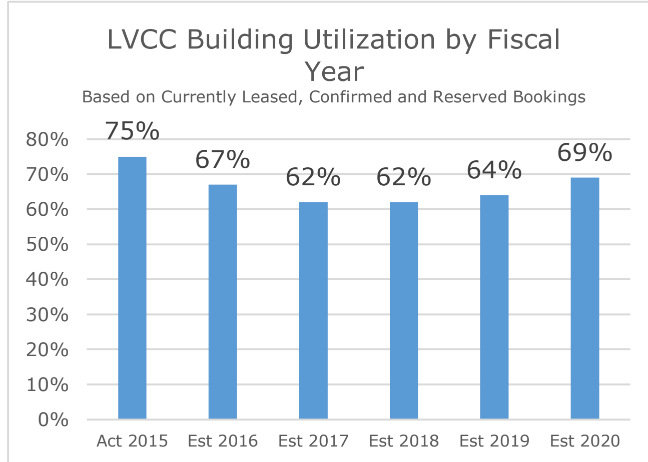
* Board Approved on April 3, 2015

Above are rental rates for the LVCC. As new agreements are executed, lease agreements will come under the new rates. Future rate increases will be considered post-completion of LVCCD Phases Two and Three, and will be based on competitive market conditions and sensitivity to business impacts.



Growth in revenues from use of facilities increased significantly after the previous expansions, but growth has reached a plateau over the last decade. The last 10-year period has realized an average 2% annualized growth rate. Based on industry standards, the current facility is showing minimal additional utilization available. Without additional capacity, growth in revenues are largely limited to cost increases for customers.

In an average year, with 13 exhibit halls, the LVCC has 4,745 days of possible utilization. Industry standard dictates that when utilization is at 70%, the facility is at 100% occupancy. This is necessary to provide time for cleaning, regular on-going repair and maintenance of a facility, and holidays, taking into account seasonality of the industry. FY 2015 utilization was 75%. At this early date, the LVCVA utilization outlook for the next five years already averages 65% not including potential additional shows as future periods near.



REVENUES FROM OTHER MISCELLANEOUS

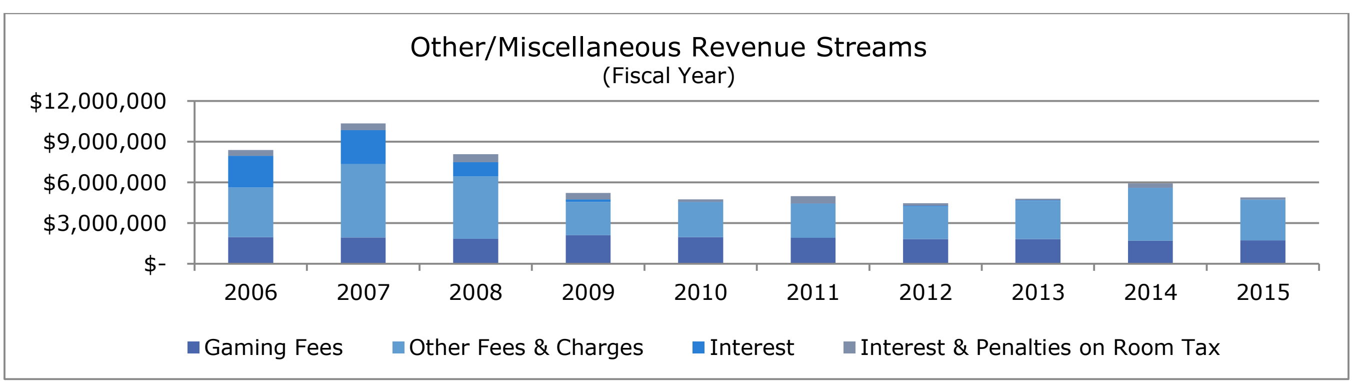
Historically, other and miscellaneous revenues account for less than 4% of total revenues. Over the last five years, "Other Fees and Charges" have averaged $5MM each year or 2% of total resources. These revenue streams are comprised of a variety of sources. The majority is derived from independent services not directly related to the rental of facilities for tradeshows, conventions and meetings. This category of revenue is primarily derived from building partner rents (FedEx, American Express Open, etc.), interest and investment earnings, and gaming fees.

HISTORICALLY, OTHER AND MISCELLANEOUS REVENUES ACCOUNT FOR LESS THAN 4% OF TOTAL REVENUES.

Several revenue streams within this category have reflected consistent trends of decline over recent years, specifically, gaming fees and interest earnings.

Gaming fees are quarterly license fees imposed on operators of games based on the number of table games and slot machines in operation. These fees were originally established in 1957 under NRS and have remained unchanged. Collection Allocation of 10% is also netted from the LVCVA's gross gaming fees received and returned to the collecting jurisdictions. Due to changes in the gaming industry, this revenue stream has demonstrated declining trends over the last six years.

Interest earnings have been in decline for many years and dropped precipitously after the recent financial crisis. Rates today remain at historical lows and forecasts for future growth are uncertain.

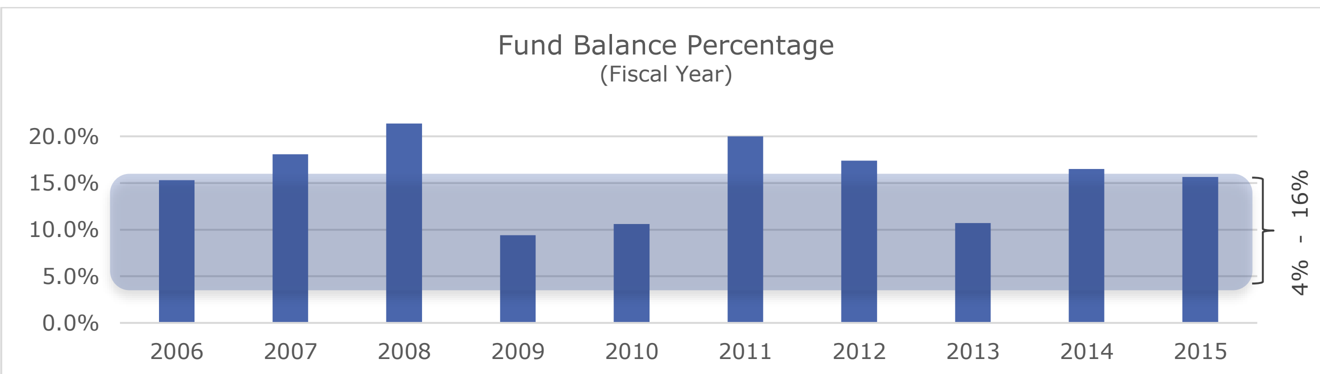


OTHER SOURCES OF FUNDING: FUND BALANCE

Nevada Revised Statutes 354.533 defines fund balance as the excess of assets over liabilities in a governmental fund. Put another way, fund balance represents the net difference between total financial resources and total appropriated uses. Fund balance is similar to equity in the private sector, in the way that it is helpful to maintain adequate resources to cope with contingencies, and provides some indication of an entity's overall financial health. While changes may occur from year to year, maintaining proper fund balances over the long term is an important component of sound financial management and a significant factor in bond ratings. This is especially true among smaller governments with limited diversification of revenue sources.

Based on Nevada Administrative Code 354.650-660, a minimum fund balance of 4.0% of budgeted General Fund operating expenditures must be maintained. The Government Finance Officers Association (GFOA) best practice recommends, at minimum, maintaining a General Fund balance for general purpose governments of no less than two months of expenditures or revenues (16%).

The LVCVA begins the first six weeks of each new fiscal year operating from beginning fund balance based on the timing of the first room tax collections for that new year. Six weeks is approximately 12% of budgeted operating expenditures. Thus, in order to ensure that the LVCVA has sufficient resources to meet all of its financial obligations in a timely manner and essential services are not disrupted in times of fluctuating revenues, the LVCVA's fiscal practice is to target a General Fund ending fund balance of up to 16%. This prepares for potential variances in economic conditions without detriment to operations.



In the government sector, it is important to budget revenues conservatively as most revenue streams are not under direct control of the entity. Conservative budgeting works to ensure operations can continue despite temporary unexpected reductions when need is most critical. It is also necessary to budget expenditures more aggressively as these amounts become the maximum allowable amounts the entity can spend. Because of this budgeting practice, ACTUAL ending fund balance always exceeds budgeted fund balance. This was true even during the recession.

During the recession, the LVCVA strategically used strong general fund balance amounts to meet the essential needs of its mission. However, the LVCVA always maintained a fund balance above the state's minimum guidance of 4%.

OTHER SOURCES OF FUNDING: DEBT FINANCING

As a government entity, the LVCVA can finance operations and capital programs through borrowing, most commonly through long-term bonds. The LVCVA has a policy to avoid incurring debt for ongoing operations. Debt is incurred only for significant capital programs and property acquisitions.

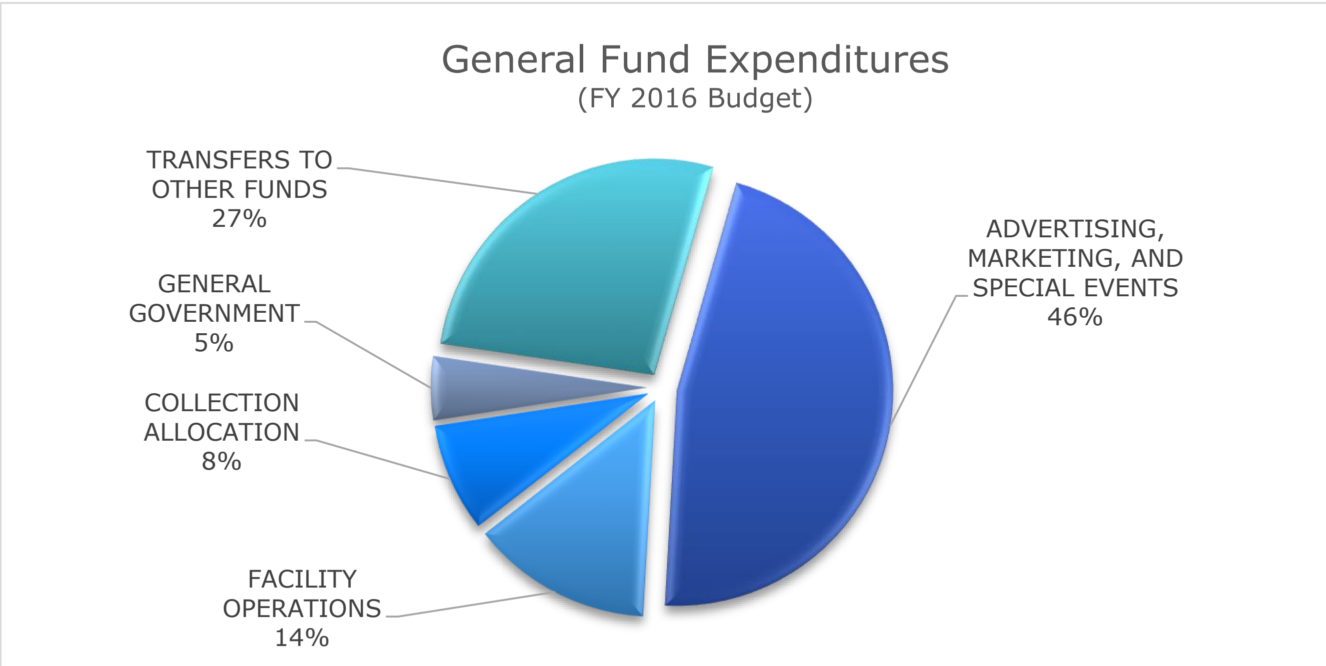
LVCVA bonds are secured by the revenues it receives (room tax as well as various operating revenues) less certain operating expenses. The net revenues pledged are referred to as "pledged revenues". LVCVA pledges these revenues to bonds secured only by the revenue pledge as well as to bonds which also carry the general obligation pledge of Clark County. In order to ensure that the LVCVA will not rely on the County's general obligation pledge, the LVCVA Debt Management Policy states that it will strive to maintain annual pledged revenues that are at least 3.0 times the amount of annual debt service. This coverage ratio is higher than the 1.5 times contained in the bond legal documents due to the narrow nature and volatility of the primary revenue source.

LVCVA has also utilized short term borrowing programs (such as commercial paper) to fund various capital or land acquisition programs. These short term issues are generally backed with a pledge of revenues that is subordinate to that of the outstanding bonds. These short-term programs are generally designed to provide ready access to funds and refinanced with long term fixed rate bonds. Financing programs are discussed in more detail in the Financing Environment and Available Instruments section of this document.

CURRENT USES OF RESOURCES

The LVCVA budgets and reports financial results on a fund basis. The General Fund is the primary operating fund, accounting for most of the entity's financial resources. Expenditures are classified by function and are those that comprise the normal operations of the LVCVA.

Nearly half of all resources flow directly to support the LVCVA's core mission to drive visitation through Marketing, Advertising and Special Events. Another 14% directly supports the core mission through the operation of the LVCC and Cashman.



Transfers to other funds (27%) represents monies moved to the Capital Fund, Debt Service Fund and Other Post-Employment Benefits (OPEB) Liability Fund.

General Government includes Finance & Purchasing, Human Resources, Public Affairs, Legal, Internal Audit and the Executive cost centers. The LVCVA allocates less than 5% of available resources to these administrative functions annually, which is on the low end of the scale when compared to state and local government averages.

The allocation of approximately 8% of available resources is directly tied to the return of a collection allocation on gross room tax and gaming fees to the collecting jurisdictions as designated by NRS. Collection allocation is the only category of the LVCVA's disbursements that does not have a direct or indirect tie to driving leisure or business visitation.

STRATEGIC USE OF RESOURCES BY MAJOR PROGRAM/FUNCTION

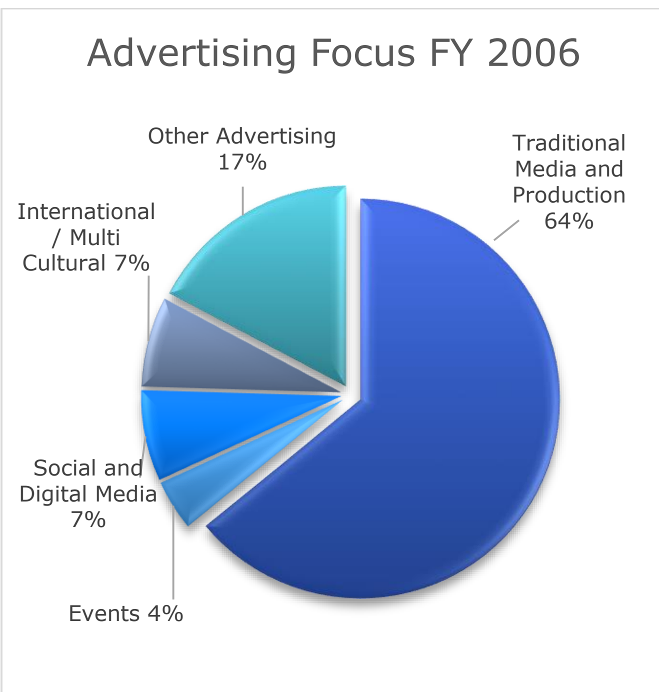
LVCVA has continued to innovate programs and modify budget distributions within each of the primary functions to ensure maximum impact as the market has transformed and grown.

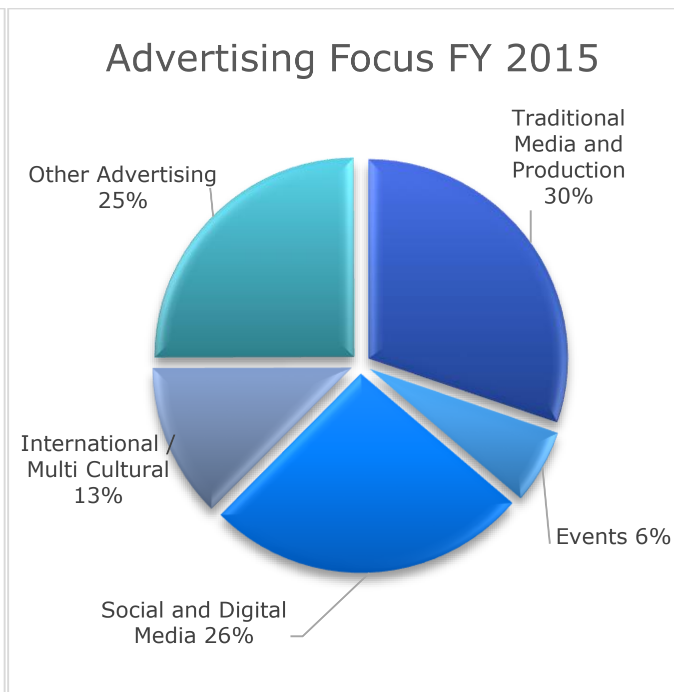
Advertising

Advertising programs, accomplished with the LVCVA's agency of record, R&R Partners, build the foundation for advertising and promotional expenditures for the Southern Nevada tourism industry. This results in a benefit-cost ratio of $28 to $1, according to a study published by Applied Analysis.

Over the last 10 years, advertising has shifted to reach consumers in a changing marketplace.

- In FY 2006, traditional media and production (television, radio, print, etc.) was 64% of expenditures and in FY 2015 it was 30%.
- As consumer use of social and digital media evolve, additional funds are allocated to these programs. In FY 2006, $6MM was spent on these programs and in FY 2015 $24.4MM was invested.
- International and multicultural advertising also has increased from 7% in FY 2006 to 13% FY 2015.



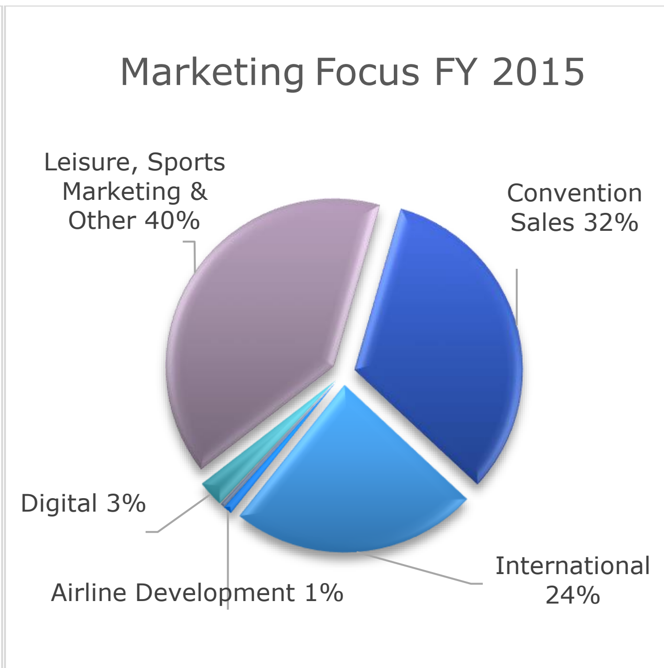


Marketing

The Marketing division, which includes sales, research, airline development, brand public relations, international marketing and special events, and customer experience, has a separate and distinct budget from the advertising function. While aligned with the advertising efforts, marketing programs focus on leisure and business opportunities that cannot be accomplished through advertising alone.

These budgets have seen modest overall increase over the past 10 years. This was accomplished by being flexible to meet changing customer needs. Some examples include:

- In FY 2006, International Marketing was 22% of expenditures and in FY 2015 had grown to 24%.
- The rapid evolution of digital marketing has created new opportunities for advertising and marketing. As a result, digital marketing represented 3% of the FY 2015 expenditures and is expected to grow.
- Call center staffing was reduced and hosting services were halted in response to evolving customer needs.
- Airline Development budgets were created and now average $350K a year.

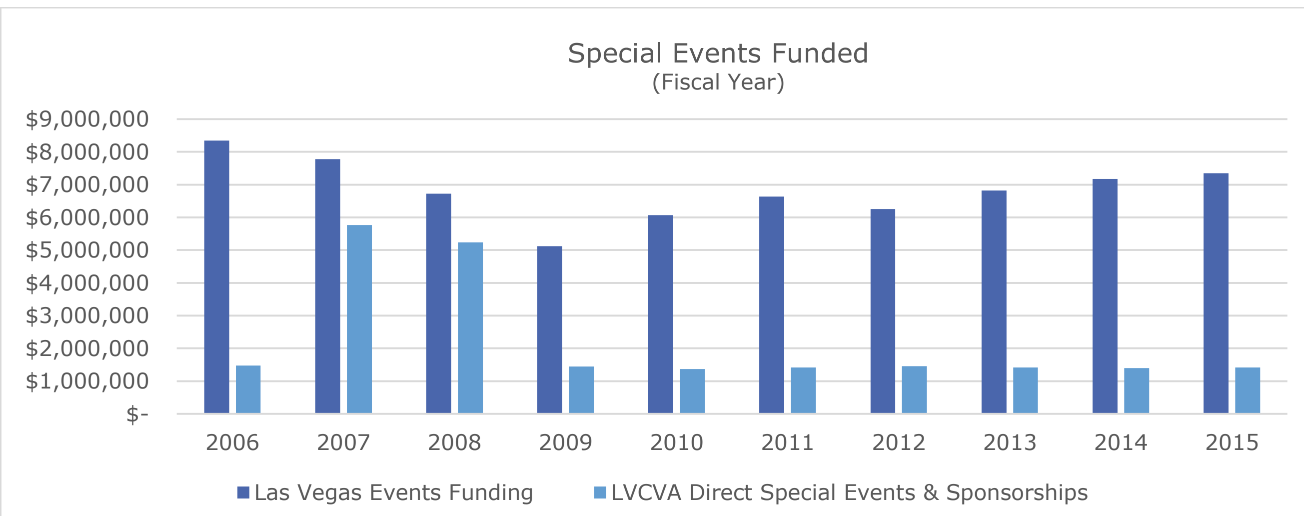


Special Events Funding

The LVCVA provides annual funding for special events to LVE. LVCVA has provided LVE over $180MM in funding since 1983 for over 600 special events. LVE funds are used for events such as New Year's Eve events, concerts, award shows and a myriad of other events which draw visitors. LVE funding averaged $6.8MM per year over the last 10 years. Funding for special events increased $3.5MM in FY 2016 to a budget of $10MM. The FY 2016 growth is related to increased funding for new events like Rock in Rio. This funding will increase in FY 2017 forward to incorporate a new sponsorship agreement with the National Finals Rodeo. The new contract secured the rodeo's commitment to Las Vegas for the next 10 years.

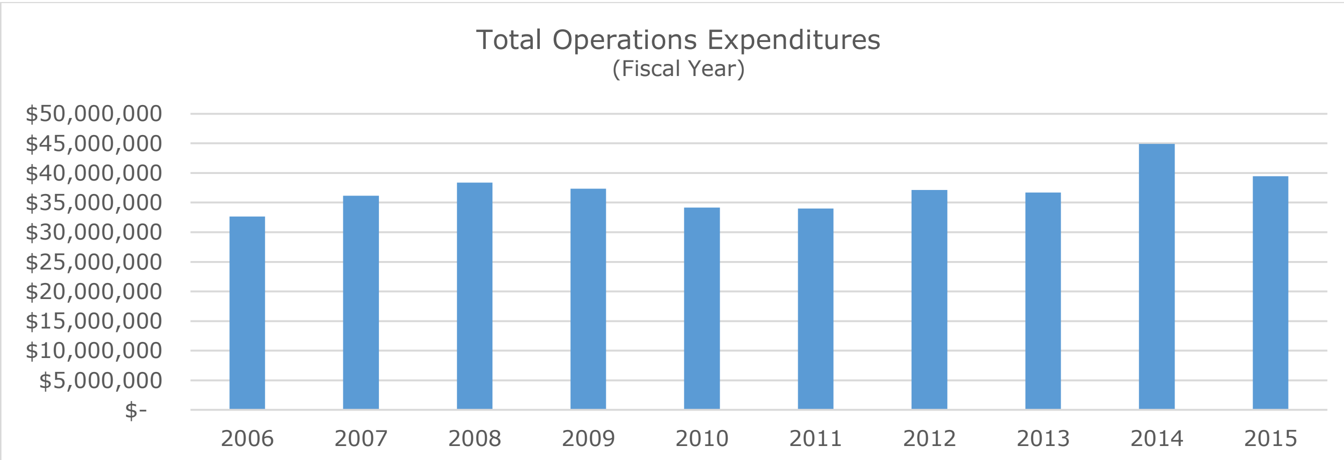
SINCE 1983, COMBINED FUNDING FOR SPECIAL EVENTS, THROUGH BOTH LVE AND DIRECT SPONSORSHIPS, HAS EXCEEDED $230MM AND OVER 700 EVENTS.

The LVCVA also directly funds special events (separate from LVE) which promote the brand of Las Vegas as well as targeting key visitor demographics at an average $1.4M per year for a variety of events including NASCAR. This funding will also increase in FY 2017 for additional sponsorships for the Professional Rodeo Cowboys Association.



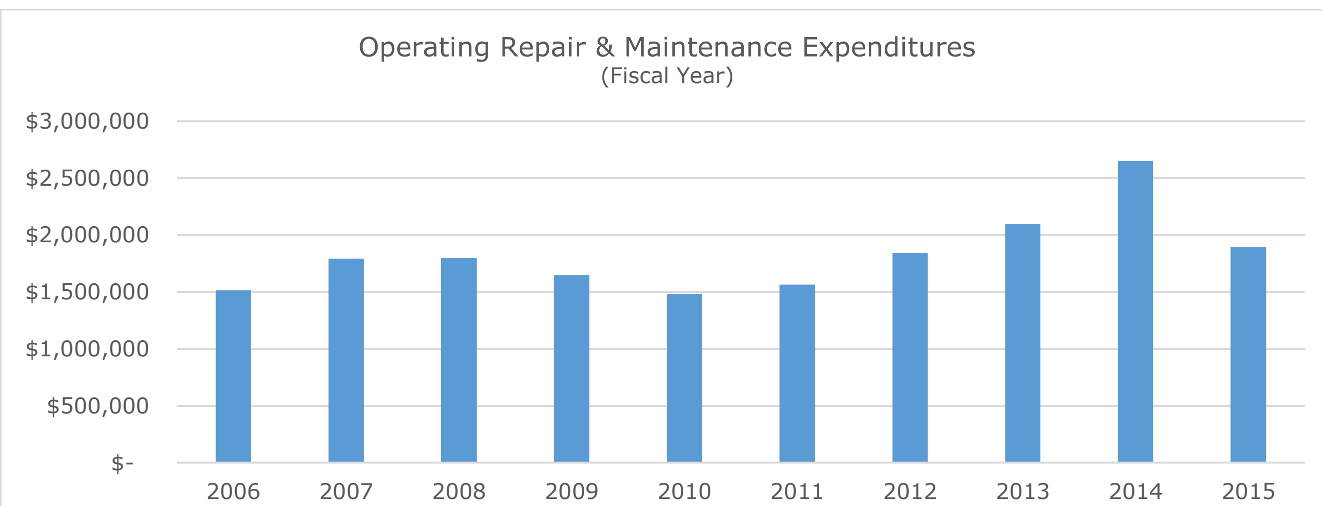
Operations

The Operations function has the overall responsibility for the operation, maintenance, and safety of the LVCC and Cashman. Overall Operations costs have remained steady over the last 10 years. There was an increase in FY 2014 due to the financial reporting of certain departments in Operations for that year only.

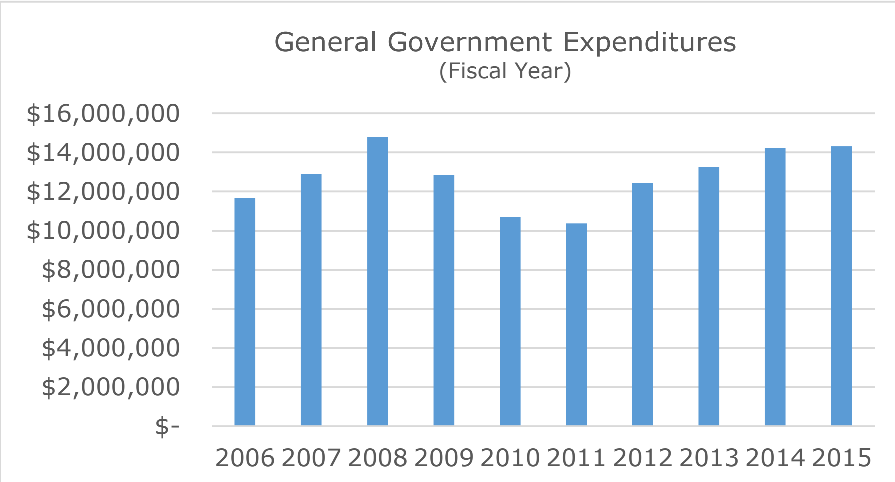


To help ensure the useful life of the facilities and equipment is fully realized, the LVCVA uses repair and maintenance expenditure accounts. These expenditures represent routine preventative maintenance and repair activities. Investments have stayed relatively consistent year-to-year and average approximately $2MM a year as maintenance contracts and operating repairs are performed to sustain the facilities assets during their general life spans.

These amounts do not include items for large capital purchases, renovations and replacements which are budgeted in the Capital Fund and extend the useful life of facilities.



General Government



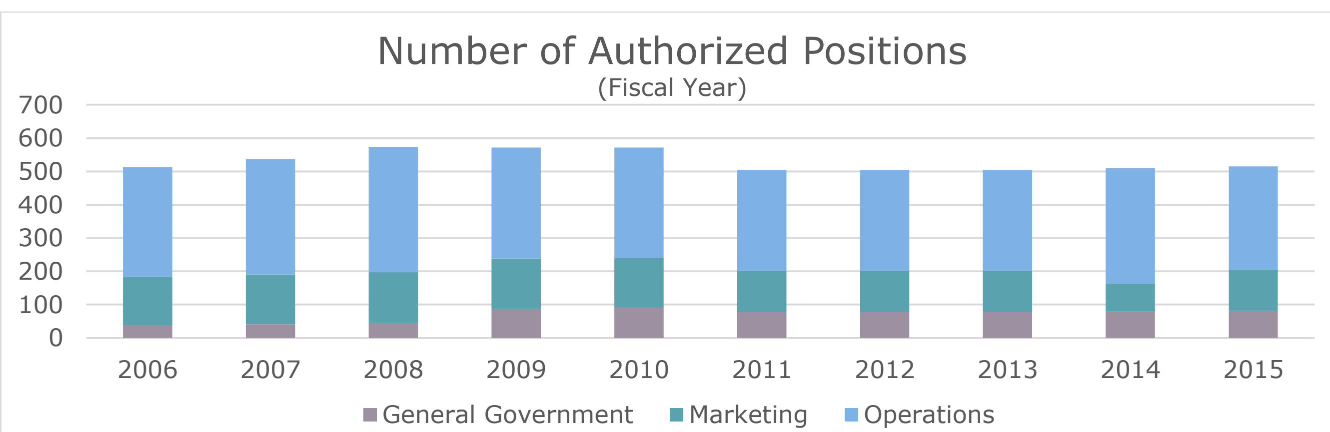
The General Government function includes the Board of Directors, the Executive team including Legal and Internal Audit functions, Human Resources, Public Affairs and Finance departments.

These departments provide organizational guidance, ensure compliance with laws and regulations, and provide support for the rest of the organization. Prior to FY 2008, Finance departments were included in the Operations Division. Overall, General Government expenditures represent approximately 5% of the total operating budget for the LVCVA.

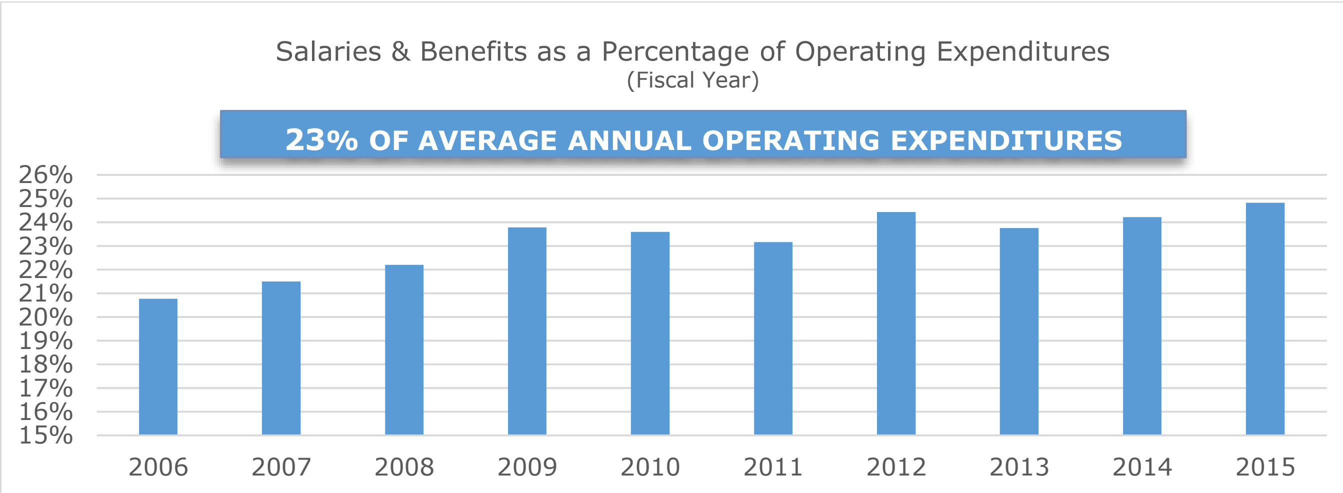
Staffing

Over the last decade, the LVCVA has maintained consistent staffing levels averaging 531 authorized positions.

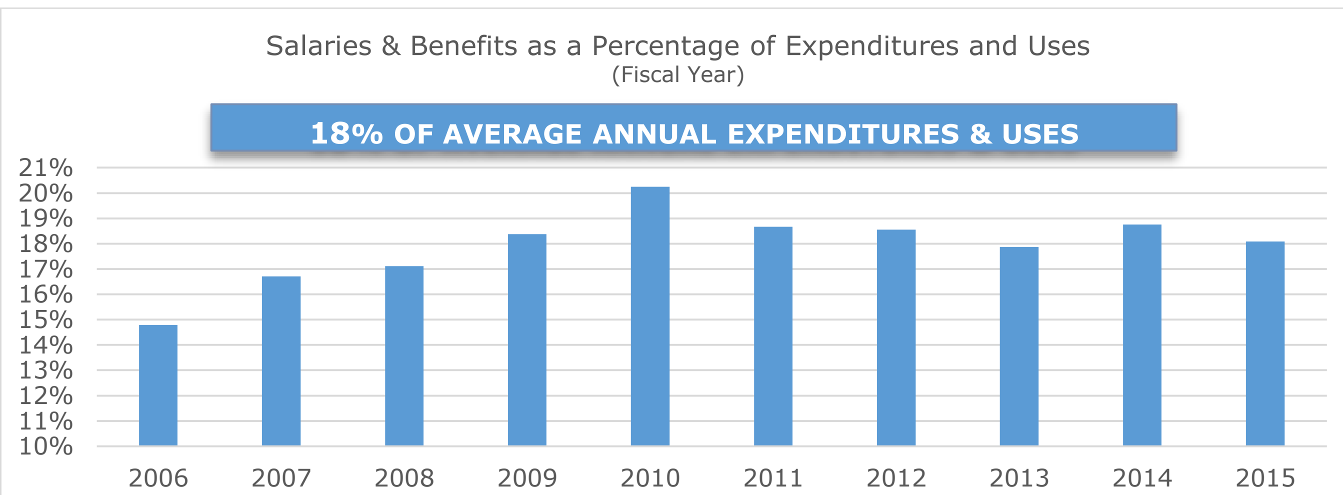
Prior to the recession, LVCVA had 572 authorized positions. In order to balance budgets during the economic downturn, 67 positions were eliminated in July 2010. Since that time, the LVCVA has been very judicious at assessing staffing levels and only increases authorized positions to the most critical areas of need. A total of 10 new positions were authorized through FY 2015, all of which were security personnel. These new positions were deemed necessary to ensure the safety of employees and customers as LVCC footprint expanded through land acquisitions and global security concerns. In FY 2016, the Board approved a total of 14 new positions bringing total authorized positions to 529. Six of these positions were additional supplements to security staffing.



Salaries and benefits costs have averaged approximately 23% of total General Fund operating expenditures over the last 10 fiscal years. Operating expenditures represent the three major divisions in the General Fund: Marketing and Advertising, Operations, and General Government. Operating expenditures do not include resources allocated to debt service, capital programs or OPEB contributions.



When comparing personnel costs to all funding allocations, including debt service, capital programs, and OPEB, salaries and benefits costs have averaged only 18% over the last 10 fiscal years.



Other Uses

Other uses of funds are usages of resources not categorized in government financials as expenditures. Other uses include transfers out which are legally authorized transfers of resources from one fund to another fund. Since almost all revenue is received in the General Fund, transfers must be made to the other funds in order to expend the money for specific uses. The LVCVA currently transfers funds out for the following purposes:

Transfers to Capital – These funds are used for capital projects and to accumulate capital reserves. The use of these funds can be found in more detail in the Facility Capital Investment section.

Transfers to Debt – These funds are used to pay all principal and interest payments on outstanding bonds. The use of these funds can be found in more detail in the Debt Service section.

Transfers to OPEB – These transfers are used to fund a reserve for LVCVA's Other Post-Employment Benefits (OPEB) liability. This liability is related to actuarial determined cost of an implicit subsidiary for the LVCVA providing continued health insurance benefits to eligible employees after retirement. GASB established standards for how governmental employers should account for and report on OPEB through GASB Statement No. 45, Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions. GASB determined that OPEB is part of the compensation that employees earn each year, even though these benefits are not received until after employment has ended. Therefore, the cost of these future benefits are reported as a part of the cost of providing public services today. For additional information of the calculation of this liability, please refer to Note 11 in the LVCVA CAFR.

Credit rating agencies have indicated that addressing this liability to ensure long-term solvency will factor into their assessment of credit ratings for government entities. Accumulating funds specifically restricted for the OPEB liability is a fiscally responsible practice as it shows appropriate planning for future obligations and helps to ensure fiscal integrity of the entity. In September 2011, the Board approved a policy statement addressing OPEB and establishing a formal plan of action to fund the growing liability. The statement directed the creation of an internal service fund to account for cash held in reserve to offset the liability for post-employment benefits. It also established a target to fully fund the reserve deficit within a 10-year timeframe, beginning in FY 2013. After the initial deficit is funded, additional yearly transfers are anticipated to reduce when the contribution level is re-set to projected maintenance levels.

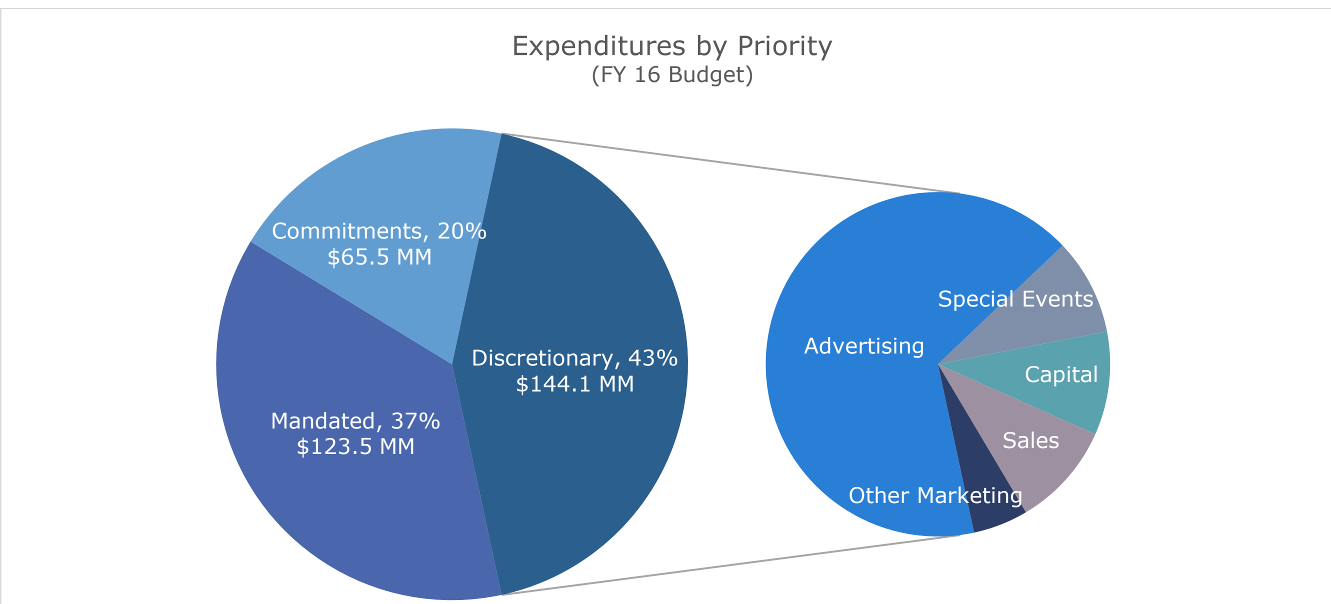
Allocation of Resources by Priority

Another way to analyze a government budget is by determining funding priorities and allocating resources to those needs. The chart below shows the FY 2016 budgeted allocation of resources by priority which first identifies mandated restrictions, prioritized spending commitments, and then discretionary funds.

'Mandated' expenditures include statutory and bond covenant obligations. These include payments for outstanding debt issuances and costs to operate and maintain the LVCC facility (including staffing). This category also includes remittance of the 10% collection allocation to the local jurisdictions, and the minimum 4% fund balance as required by NRS. Approximately 37% of total LVCVA resources are allocated to 'mandated' use annually.

'Commitments' include staffing requirements for the General Government and Marketing divisions, operating costs of the Cashman facility pursuant to the deed assignment, the Board of Directors contingency account (board restricted for unforeseen disasters and extraordinary circumstances) and board-directed contributions to other post-employment benefits liability. These amounts total approximately 20% of available resources.

The remaining amounts are 'discretionary' and reflect available funding for programs and initiatives that directly fulfill the LVCVA's mission to drive visitation under statutory directive. Less than half (43%) of the LVCVA's resources are truly 'discretionary' and available for prioritization or reprogramming each budget cycle. Of the discretionary resources, 75% are allocated to advertising and special events. Fifteen percent are used for domestic and international marketing programs and other marketing and sales initiatives. 10% of discretionary funds are allocated to facility capital investments.

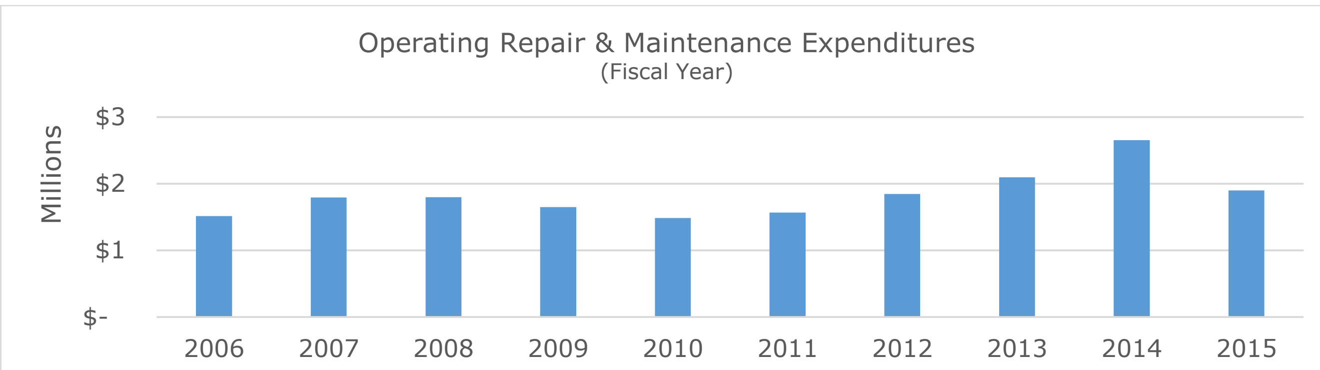


FACILITY CAPITAL INVESTMENT

The operation of the convention center is a critical component of the LVCVA's core mission to drive visitation. Tradeshow, convention, and meetings business have proven highly successful in filling rooms during midweek and slow leisure periods. As demonstrated in the LVCCD Strategic Master Plan, investment in the convention facility allows the LVCVA to protect and grow existing shows, as well as attract additional shows to the destination.

Capital investments in the LVCC and Cashman are accomplished through two funding components.

First, as demonstrated in the Operations section of this document, the annual budget process allocates routine repair and maintenance (R&M) funds to the appropriate division through General Fund accounts. These funds are used to maintain the original useful life of the facilities and equipment; they are not intended to renovate or expand the facility. Investments in R&M have averaged approximately $2MM per year over the last decade.



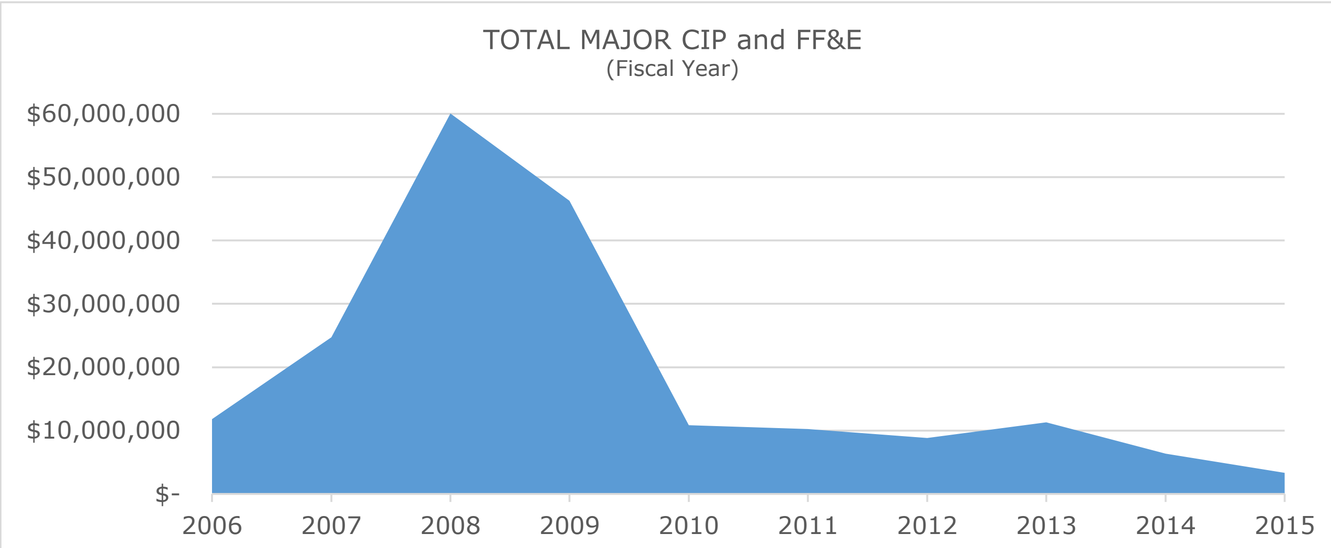
Second, the LVCVA uses a separate set of funds (Capital Fund) to account for the acquisition of capital assets and capital improvement projects.

Capital assets generally include furniture, fixtures, and equipment (FF&E); for example, tables, seating, forklifts, security vehicles, generators and other similar items. These items are funded through cash transfers from the General Fund.

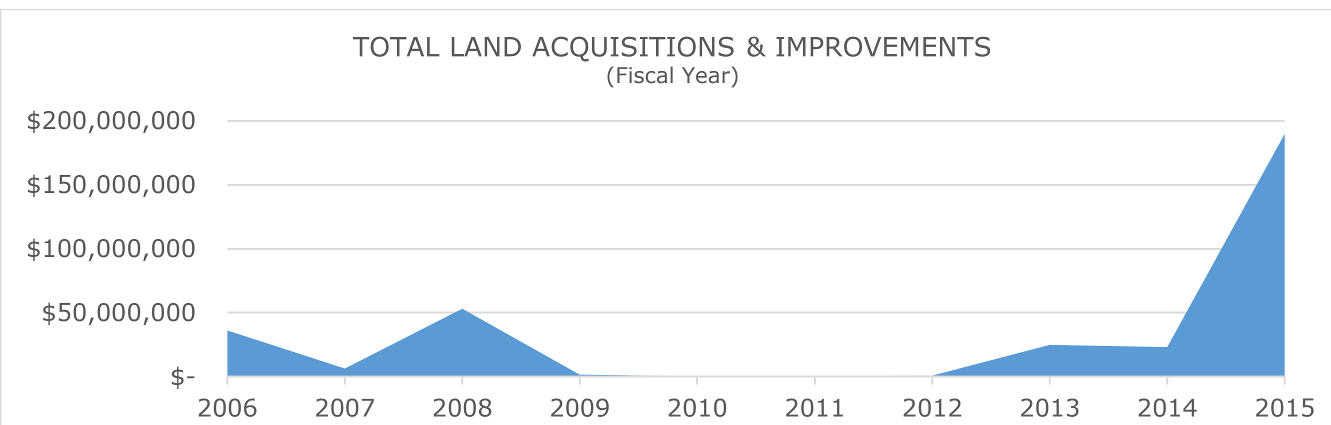
Capital improvement projects (CIP) are major and infrequent expenditures beyond routine R&M. Capital projects tend to be large in size and cost, sometimes take more than a year to complete, and have a long-term usefulness extending well beyond a single budget year. CIP examples include such things as new facility construction, major building rehabilitation, purchase of new seating or lighting, land acquisition, and parking lot repairs.

Over the last decade, over $529MM has been invested in CIP, FF&E, and land acquisition. The majority of the CIP expenditures occurred between FY 2006 and FY 2010, reflecting early phases of a previous master plan for the LVCC. The plan included significant facility renovation, upgrades, and the expansion of meeting space, among other facility enhancements. Several pre-construction programs were underway when the recession began impacting the local economy in 2008. Because the construction program was phased, the LVCVA was able to suspend future phases of the enhancement plan, while completing projects that were already underway. The completed projects between FY 2006 and FY 2010 included underground utility relocations, construction of the Metro Convention Center Area

Command, Data Command Center and Central Hall restroom renovations, among other programs. Many of these projects are beneficial to the current LVCCD expansion and renovation program as they represent critical projects that will not have to be included in the budget for LVCCD Phases Two and Three.



Major CIP and FF&E investments over the last 10 years total nearly $200MM. In addition to the previous master plan projects discussed, investments from FY 2011 through FY 2015 include exterior painting of the LVCC, interior carpet replacement in LVCC and Cashman, halide fixtures and lamp replacements, fire sprinkler upgrades, NV Energy backup feeder lines, central plant improvements and chillers.



The LVCVA has demonstrated a plan to invest in its future by securing additional land and improving existing land to meet client needs. Over the last 10 years, capital funds have been allocated to re-paving, sealing and improving existing land parcels and parking lots to better service client needs. In addition, incremental land acquisitions have expanded the LVCC campus. NRS 244A.619 gives the LVCVA the authority to purchase, exchange and sell real property as an adjunct to carrying out its mission. The nature of a tradeshow-focused convention center limits vertical growth. In order to provide the ability to adequately expand exhibit space, land acquisition was necessary due to the full utilization of existing acreage.

The LVCC's geographical urban location, with limited surrounding unimproved land, presented unique challenges. With the Board's direction, the LVCVA developed a formal land acquisition strategy in 2010. Over the last decade, the LVCVA has actively monitored the real-estate market and land surrounding the campus in order to take advantage of contiguous parcel opportunities as they became available. Efforts have been successful and the LVCVA has added over 42 acres of contiguous land to the LVCC campus in the last 10 years. The largest parcel was the purchase of the Rivera in FY 2015, which provided over 26 acres to secure the LVCVA's ability to meet both current and future expansion demands. In total, over $330MM has been allocated to land acquisition and improvements over the last 10 years. The LVCVA does not have current plans to pursue other large parcels in the near future. Additional small parcels contingent to the LVCC campus may be considered on a case by case basis, if they complement future expansion plans, are available at advantageous market prices, and if funding is available without compromising other CIP or operating programs.

Capital Fund resources are limited to:

- Monies transferred from the General Fund: During the annual budget process, funding is evaluated for replacement of existing assets that have failed or become obsolete or new acquisitions that will enhance and improve the efficiency and/or effectiveness of the LVCVA's operations. Funding is also considered for capital improvement programs that are appropriate to fund through cash flow, in lieu of long-term borrowing. Some requests are deferred to subsequent years for future consideration based on limited funding availability, especially during periods of economic downturns that affect LVCVA revenue streams.
- Proceeds from borrowings: Large, multi-year, high-cost capital projects are often funded through debt programs. These instruments are discussed in more detail in the Financing Environment and Available Instruments section of this document. However, many factors are considered prior to using debt to fund CIP. Most importantly, borrowing decisions are driven by an affordability analysis that projects the share of the LVCVA's budget that will be devoted to pay principal and interest obligations over the debt horizon.
- Interest earnings: Interest earned on unexpended capital funds is available to be programmed for capital needs. Interest rates over the most recent period have been at historical lows and any interest earnings have been negligible in terms of funding major capital programs. Although rates may rise in the future, the LVCVA does not carry large unexpended balances that would generate substantial cash flow. Capital funds are budgeted based on highest priority and best use each budget cycle.
- Unexpended fund balances: These funds roll each fiscal year through ending fund balance. They are then re-programmed into capital programs with the next budget cycle. There are no statutory or regulatory requirements to maintain a specific excess of assets over liabilities in the Capital Fund.

Factors that can influence an increase or decrease in the capital expenditure accounts are:

- Older parts of the facility are updated and modernized as appropriate to maintain operational soundness as funding is available. Land acquisition costs affect year-over-year comparability.
- Due to the number of shows and events using the exhibit halls and meeting rooms, projects must wait for an open time frame before proceeding.

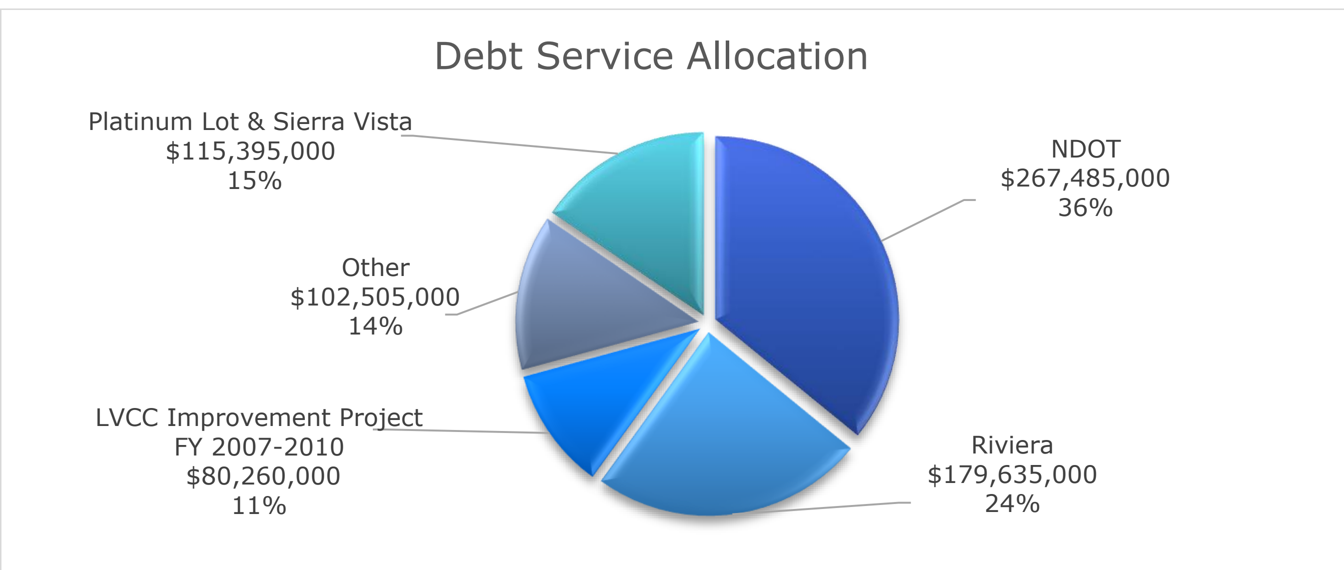
- National and international events, such as economic downturns, can determine if capital improvement projects will be deferred until future years.
- The LVCVA uses the construction work–in-progress account to fund various on-site improvements that have multi-year completion horizons.

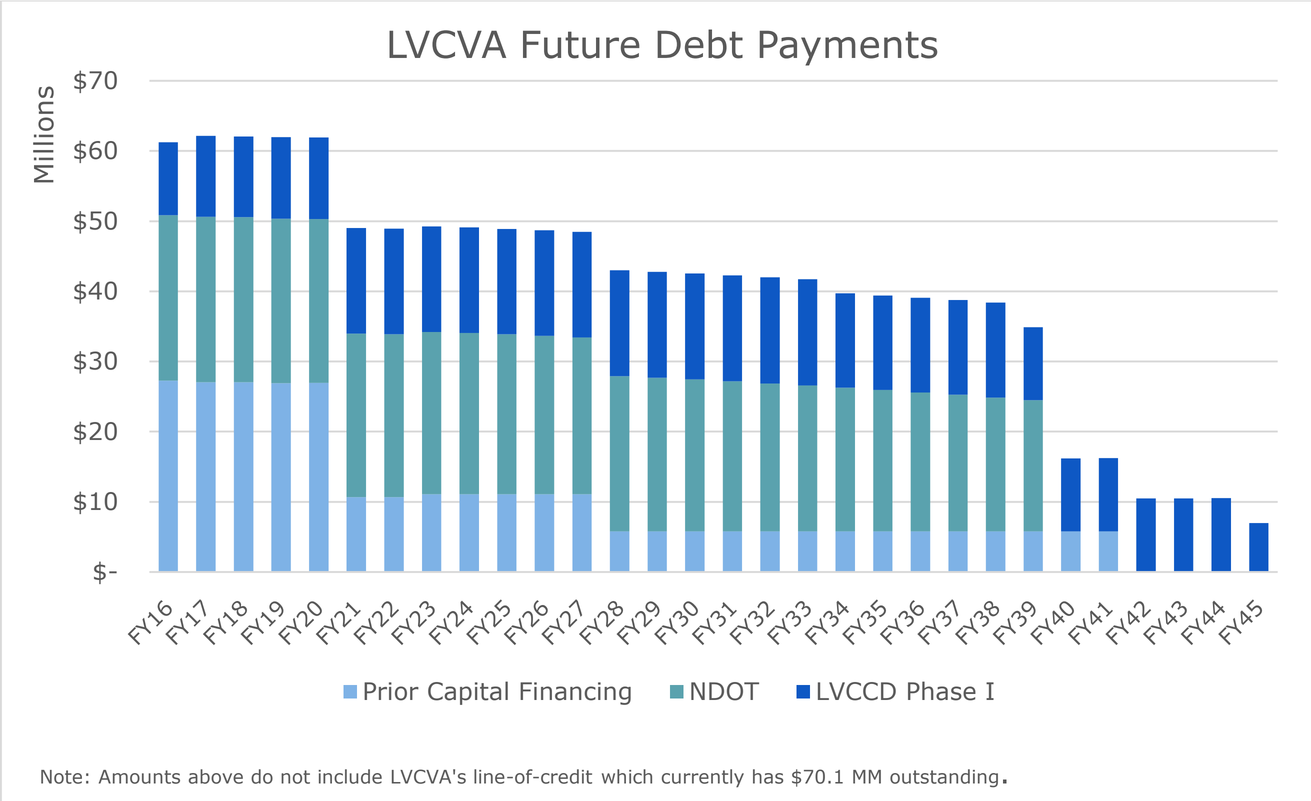
As of June 30, 2015, the LVCVA held net assets totaling $661.2MM. The amount of outstanding debt associated with those assets is $498.6MM. For every $1 of debt the LVCVA has, it has net assets worth $1.33. Attachments to this document include a 10 Year Capital Investment in Facilities summary, detailing some of the major capital improvements projects over the period.

DEBT SERVICE

The LVCVA's current outstanding debt balance is $745,280,000.

- $267.5MM of the outstanding debt is related to the LVCVA's obligation to issue bonds on behalf of NDOT resort corridor infrastructure improvements, originating from 2007 legislative bill AB 595. These debt obligations extend through FY 2039.
- $179.6MM of the outstanding debt is related to Phase One of the LVCCD and the purchase of the Riviera Hotel & Casino site.
- $115.4MM of the outstanding debt is related to land acquisitions of the Platinum Lot and Sierra Vista Drive which added approximately 37 adjacent acres between 1996 and 2013 to the existing footprint.
- $102.5MM of the outstanding debt is related to the remaining balances on debt issued over the past years for renovation and expansions, including the South Hall and Gold Lot (Landmark property which is approximately 21 acres).
- $80.3MM of the outstanding debt is the remaining amount due on projects related to the LVCC Improvement Project FY 2007-2010 started prior to the recession, including building construction for Metro Police Department Convention Center Area Command, land for the Clark County Fire Department Station, underground utilities and the Data Command Center.





The above chart illustrates LVCVA's fixed rate long-term debt service obligations. The largest component of current and future debt supports tourism corridor transportation infrastructure projects for NDOT. The NDOT obligations extend through FY 2039. Other debt has been utilized to fund previous capital improvement projects and land acquisitions, including the entirety of LVCCD Phase One.

The chart demonstrates there is no significant reduction in debt service over the next several fiscal years. Accordingly, the LVCVA has limited additional capacity under current operations to complete additional debt financed capital projects, most importantly LVCCD Phases Two and Three. The moderate remaining additional capacity under the current structure is reflected in Pro Forma Scenario A later in this document and discussed in the Debt Capacity section.

FINANCING ENVIRONMENT AND AVAILABLE INSTRUMENTS

Ongoing operations and routine capital repairs are funded with available operating revenues. Large capital projects and property acquisitions are typically funded through debt financing. As a government agency, the LVCVA's debt financing opportunities are more narrow than the private sector. LVCVA debt is considered Municipal debt (Muni) and is limited to financing vehicles allowed by Nevada legislation.

Muni financing in Nevada is generally achieved through long-term bonds. Bonds can be sold at a public sale or placed directly with a bank or financial institution. Bonds can also be sold as taxable or tax-exempt. Structuring options are based on affordability, the useful life of the asset financed, and project cash flow requirements.

The LVCVA has the option of issuing two types of backed bonds. Bonds issued solely by LVCVA are secured by a pledge of net revenues (detailed discussion below); these bonds (Revenue Bonds) also require a reserve fund as additional security. A reserve fund is generally one year's debt service which is set aside and can only be used for the payment of debt service on the bonds it secures. The deposit to the reserve fund can come from existing resources or bond proceeds. In certain market conditions, a surety bond may be purchased in lieu of a cash reserve.

LVCVA also has the option of issuing bonds with a general obligation pledge of Clark County as additional security (GO/Revenue Bonds). State statute allows for the issuance of general obligation bonds but limits the amount of GO/Revenue Bonds LVCVA can have outstanding to 5% of the County's assessed value.

> ***NRS 244A.653*** *A county whose population is 700,000 or more shall not become indebted for those county recreational purposes under the provisions of NRS 244A.597 to 244A.655, inclusive, by the issuance of general obligation bonds and other general obligation securities, other than any notes or warrants maturing within 1 year from the respective dates of their issuance, but excluding any outstanding revenue bonds, special assessment bonds or other special obligation securities, and excluding any outstanding general obligation notes and warrants, exceeding 5 percent of the total last assessed valuation of the taxable property in the county.*

In order to issue GO/Revenue Bonds, LVCVA must receive the approval of the Debt Management Commission and the County Commission. In the event LVCVA resources are insufficient to repay these bonds, property taxes would be levied to repay the bonds. Although the LVCVA has utilized the pledge since the 1960's, the property tax pledge has never been called upon. Prudent budgeting, long term affordability planning, and a high debt coverage ratio have ensured the LVCVA's revenues sufficiently cover all debt obligations. Even during the most recent recession, when room tax declined by more than 33%, the LVCVA's ability to meet all debt obligations was never compromised.

74% ($552.4MM) of the LVCVA's current outstanding debt are general obligation bonds and 26% ($192.9MM) are revenue bonds.

LVCVA Bonds are rated by Moody's and Standard & Poor's against a municipal bond rating scale, which is quite distinct from corporate rating practices. Compared to corporate rating systems, ratings for municipal obligations place considerable weight on an overall assessment of the organization's financial position and management oversight, not just the projected revenues or debt service requirements underlying the specific debt purpose. Municipal ratings are considered within a very small band of creditworthiness because municipal investors are highly risk averse. These investors are primarily concerned about the safety and liquidity of their investment, not the yield. The tax-exempt municipal market is looking for a very low risk component of their portfolio. They seek a guaranteed return OF their investment as more critical than a return ON their investment. In exchange for that, investors are willing to accept a lower rate.

RECENT CREDIT RATINGS	**Moody's**	**Standard & Poor's**
REVENUE: *LVCVA Pledged Revenue Bonds*	A1	A+
GENERAL OBLIGATION: *LVCVA Pledged Revenues backed by Clark County Ad Valorem*	Aa1	AA

LVCVA bonds are governed by Nevada statutes, the Security and Exchange Commission (SEC), Municipal Securities Rulemaking Board, and the Internal Revenue Service (IRS). Those agencies impose regulatory constraints including spend-down timelines, use restrictions and arbitrage restrictions. There must be a reasonable expectation that the proceeds will be spent within three years when tax exempt bonds are issued.

LVCVA long-term debt obligations are also subject to restrictive debt covenants, including certain revenue levels and revenue/expense ratios. Debt coverage is the ratio of pledged revenues to related debt service for a given year. Debt covenants require 1.5 times coverage ratio and LVCVA debt policy, which is reviewed annually, targets a minimum coverage ratio of 3.0 due to the current single-source revenue structure. Coverage may be re-assessed if there is a significant change in revenue structure, sources, and diversification.

Bond covenants define Pledged Revenues as Gross Revenues less Operating and Maintenance (O&M) Expenses.

- *Gross Revenues are the total of Facilities Revenues plus Room Tax & Gaming Fees plus all investment income from any fund or account established under the Bond resolution less collections allocations at 10%.*
- *O & M Expenses are expenses of the LVCVA, paid or accrued, of operating, maintaining and repairing the facilities (i.e. all operating expenses EXCLUDING the cost associated with the sales, marketing and promotion efforts of Las Vegas & surrounding areas).*

Bonds are generally issued with the ability for redemption prior to maturity. As market conditions allow, LVCVA takes advantage of such opportunities to refinance outstanding bonds for debt service savings. In the last 10 years, LVCVA has achieved present value savings of approximately $13.2MM by refunding bonds.

The LVCVA will continue evaluating potential public-private partnerships (P3) interest from the private sector and its appropriateness for limited components of the LVCCD, while carefully measuring the significant financial and legal risks associated with a long -term partnership with a private partner. A P3 is generally any arrangement in which partners from both sectors share the risks and rewards of delivering and/or operating the asset over an extended time period. P3's are not nearly as well developed or standardized as the municipal bond market and at this point most studies suggest P3 alternatives are good *complements* to tax-exempt financing, but not good alternatives. Most importantly, while a P3 may escalate the timeline to finalize a capital program, it does not reduce funding requirements and, in fact, may escalate them. Accordingly, the LVCVA will undertake significant risk assessment procedures and engage qualified legal representation to provide counsel on all proposed P3 arrangements and the underlying terms and conditions.

The LVCVA continuously investigates options that will provide the best overall value in funding capital projects, but innovative financing techniques are unlikely to provide the additional capacity required to finance Phases Two and Three of the LVCCD under existing resources. As the financing plan moves forward, LVCVA will continue to review alternative financing structures and will incorporate such structures into its overall financing plan if determined to be financially and operationally appropriate. In prior years, LVCVA took advantage of the Build America Bond program due to the financial advantages it provided. P3's, grants, EB5 and any other options will be evaluated based on legality and financial risk.

DEBT CAPACITY

The LVCVA began re-assessing its debt capacity to finance a significant capital improvement program once recessionary declines abated and economic conditions stabilized. Finance staff evaluated projected future available resources in 2012. Estimates indicated capacity to fund a capital program of up to $500MM could be supported in increments over the ensuing 10-year period.

SPF conducted a debt capacity analysis for the LVCVA in late 2012. The results of their analysis reflected a capacity of just over $520MM, given issuance in increments over the following 10-year timeframe (FY 2013 – FY 2023).

JNA first evaluated the LVCVA's debt capacity in 2013, the results of which were comparable to previous internal and external analyses.

In 2014, HVS conducted a Financial Strategy Study, a component of which included an evaluation of LVCVA debt capacity. Once again, the results of that independent assessment was comparable to the previous independent analyses by staff, SPF, and JNA.

JNA has continuously worked with staff to update those projections as economic conditions change and actual financial results are reported.

In alignment with the capacity assessments validated by multiple experts, the LVCVA issued over $360MM between 2012 and 2015 to accomplish Phase One of the LVCCD. Funds have been allocated to land acquisition, demolition, and site preparation. These financing programs are supported by existing revenue streams and do not require new sources of funding.

CURRENT ASSESSMENT OF FUTURE DEBT CAPACITY

Based on the most recent update to the LVCCD pro forma, the LVCVA has minimal near-term capacity to support Phases Two and Three of the LVCCD.

Applying customary conservative bonding assumptions, current resources may support an additional bonding capacity of approximately $100MM by FY 2019/20.

An additional bonding capacity of up to $200MM may be supported by FY 2023/24, due to the maturation and retirement of existing bond principal.

Cumulatively, the LVCVA's capacity to issue new debt over the next five to ten years is approximately $300MM, the majority of which is not accessible until after FY 2019/2020.

FINANCIAL ANALYSIS SUMMARY - FUNDING GAP

As demonstrated in the pro forma analysis, new revenue streams will be required to support the capital financing program for LVCCD Phases Two and Three.

Initial annual funding gap is estimated at $80MM.

Actual new revenues may require pro forma adjustments for growth projections based on the nature of the revenues and demonstrated trends, if available.

ADDITIONAL FINANCIAL INFORMATION AVAILABLE

In order to provide up-to-date relevant financial information to stakeholders and the public at large, the LVCVA has a Funding & Finance page on www.lvcva.com which is updated every few months and provides a variety of financial information for current and past periods. It has proven to be a fitting vehicle to provide interested parties transparent and timely access to LVCVA's financial documents.

Information available on this site includes a summary of economic conditions tracked by the LVCVA's staff and a financial status update highlighting some key financial information that investors and other stakeholders commonly request. A variety of financial documents are also available for immediate viewing including five years of CAFRs and PAFRs. A link to the most recent continuing SEC disclosures is provided. The site also includes the annual budget book for the most recent five years and three years of Budget in Brief documents staff provides to the Board and public when the original LVCVA budget is adopted. The LVCVA also posts the last five quarterly budget and statistical reports presented to the Board of Directors as well as key financial policies, key contract information of finance staff, and other investor information. Please visit http://www.lvcva.com/finance to view any of the materials described.

In addition, all of LVCVA's required bond documentation including issuance documents, trading information, continuing disclosures and rating information can be obtained without charge on Electronic Municipal Market Access (EMMA) website at http://emma.msrb.org/.

PRO FORMA(S)

Pro forma statements have been developed to project future financial results, incorporate anticipated operating impacts of the LVCCD, project capital financing requirements for LVCCD Phases Two and Three, and to estimate the amount of the resources required to support the capital financing program. Long-term projections are highly uncertain and rely on numerous assumptions about economic and fiscal factors. Many different assumptions are possible; thus, these pro formas are not considered a fixed plan for balancing revenues to expenditures in future years.

The pro forma development included analyses of historical trends across varying revenue sources and expenditures, as described in detail in earlier sections of this document. These trends were a part of the basis for developing a series of complex assumptions to project future results.

Because this is a long-range planning document, rather than a budget, some revenue sources were consolidated to simplify the presentation. Complex general ledger accounts and cost centers are also aggregated by core division or functional purpose.

Two individual pro formas were developed to provide management with a planning document to be used for decision-making:

Scenario A: This pro forma presents current business operations and projects the LVCVA's ability to support current debt and operations through 2030. It also demonstrates the capacity of the LVCVA to issue approximately $300MM in new debt over the next five to ten years under the existing revenue structure. Most new debt capacity would not be accessible until after FY 2019/20, as existing bonds mature. Scenario A does not incorporate LVCCD revenues, expenditures or capital financing program.

Scenario B: This pro forma reflects existing operating projections in Scenario A and incorporates the projected LVCCD operating revenues and expenditures generated by the new exhibit hall expansion. It also includes the debt service requirements related to the construction costs of Phase Two and Three. This is essentially the "all-in" pro forma. Scenario B demonstrates that new revenue streams totaling $80MM in the first full year of collection would support the financing program.

The pro forma includes numerical designation of major line items, itemized from 1 to 21. These numbers can be used to cross-reference between the discussions that follow and the pro forma(s).

PRO FORMA ASSUMPTIONS - REVENUES

No other agency is more optimistic about the future growth potential for Las Vegas. We feel it is highly probable Southern Nevada will experience periods of dynamic growth higher than reflected by year in the pro formas. However, that optimism is balanced by the likelihood that some years may be negatively impacted by economic volatility or other disruptions within the travel and tourism sector. Accordingly, the pro formas incorporate conservative but realistic, and historical trend based revenue projections. If projections are too aggressive, under-realized revenues could impact the future ability to meet debt service obligations and to fund core mission to drive visitation through marketing programs.

1. Room tax:
- Scenario A reflects an annual increase of 3% through FY 2030.
- Scenario B reflects an annual average increase of 3% through FY 2023, 4% annual increases from FY 2024 through FY 2027, and 5% increases from FY 2028 through FY 2030.
- The future growth increase in Scenario B is attributable to the expanded facility availability to host new shows, which is anticipated to drive room tax through incremental new visitation and ADR pressure.

2. Gaming fees:
- Scenarios A & B reflect annual average decreases of 1% starting in FY 2018, through FY 2030, due to diminishing trends over the last 10 years.

3. Building Partner Contributions:
- Scenario B reflects two potential non-recurring capital contributions of $10MM each during the construction period of the new expansion. These contributions are further shown as expended for facility investment in the capital section of the pro forma. Contributions provided by building partners will be used for enhancements to the facility related to the provision of services by those providers. For example, a contribution from the food and beverage concessionaire will be specifically targeted for agreed upon enhancements to kitchen facilities and food outlet locations. These revenues do not provide additional debt capacity as they are one-time contributions rather than annual funding streams.

4. New LVCCD Revenue Sources:
- Scenario B reflects projected new annual revenues required to support the LVCCD capital financing program. Assuming new revenue streams become effective January 1, 2017, six months of potential revenue generation would be recorded to FY 2017. The half-year value is projected at $40MM, meaning the first full year of new revenue value is estimated at $80MM. Annual growth is approximately 3% as the actual revenue sources are undetermined; therefore, trend analysis is unavailable.

5. LVCC Facility Use:

- This section reflects projected annual revenues from the various categories of facility use at the LVCC campus, including exhibit halls, meeting rooms, parking, technology commissions, food & beverage commissions, and other smaller categories.
- The LVCC is fundamentally at full utilization, so growth in facility use revenue from new show bookings is negligible without additional space.
- Scenarios A & B reflect the following assumptions:
  - Each fiscal year is affected by the scheduled rotation of several major shows. For example, CONEXPO-CON/AGG is scheduled every three years, usually resulting in a revenue premium during that year. PACK EXPO LAS VEGAS is scheduled every two years, resulting in a slightly smaller premium. Due to the periodic overlap of these two major shows every six years, there is a higher premium in those years. The years with only one, or neither, of these shows reflects a representative decrease in facility use revenue.
  - Scheduled rate increases have been built in over the next two fiscal years – 33 cents per square foot in FY 2016 and 35 cents in FY 2018. The rate increases will not affect multi-year leases that were executed prior to board approval. For that reason, facility use growth as a result of the rate increases is reflected in increments over the course of FY 2016 through FY 2020. Facility use revenue reflects a growth rate of 17% by outlying comparable show years. The rate increases are not reflective of year-over-year growth, but are instead a product of comparing similar show rotation years.

6. LVCCD Expansion Facility Use:

- Scenario B reflects incremental new facility use revenues, tied to the availability of new space from the LVCCD expansion.
- No additional revenues are anticipated during the construction phase of the expansion.
- Once the expansion is open, the new facility will provide swing space to support existing shows during renovation on the North, South and Central Halls. FY 2020 through FY 2023 reflects a 5% annual increase in total facility use, from incremental additional utilization of available square footage, as compared to Scenario A.
- Facility use revenue from the expanded facility grows incrementally from 16% in FY 2024 to approximately 32% by FY 2030, reflecting a full utilization of the expanded facility, as compared to Scenario A.

7. Cashman Facility Use:

- Scenarios A & B reflect annual revenue growth of 2%.

8. Other Revenues:

- Scenarios A & B reflect annual revenue growth of 2%.

PRO FORMA ASSUMPTIONS - EXPENDITURES & USES

In Scenario B, expenditure growth for operations and support functions is aligned with the additional facility square footage created in the LVCCD expansion. The expansion is anticipated to increase leasable square footage by approximately 30%, which is the approximate direct operating expenditure growth. Division expenses include salary and benefit costs and operating supply and service accounts.

9. General Government Division:
- Scenario A reflects annual average increases of 4% through FY 2030.
- Scenarios B reflects annual average increases of approximately 5% due to administrative and operational costs related to the facility expansion.
- General Government includes cost centers for the Board of Directors, Executive, Finance, Human Resources, Public Affairs, Legal and Internal Audit functions.

10. Marketing Division:
- Scenario A reflects annual average increases of 3% through FY 2030.
- Scenarios B reflects annual average increases of 4% due to Convention Sales and Services support costs related to the facility expansion.
- Marketing includes cost centers for Sales, Research, Digital Marketing, Brand Strategy, Strategic Planning, Convention Services, and Visitor Information Centers.

11. Advertising:
- Scenarios A & B reflect annual average increases of 2% through FY 2030.
- LVCVA's philosophy is that room tax revenue is derived from marketing and advertising the destination. Therefore, it is imperative to reinvest a portion of room tax revenues back into programs to drive additional visitation.
- Advertising expenditures grow throughout the period and average 36% of room tax collections through FY 2030.

12. Special Events (LVE and LVCVA):
- Scenarios A & B reflect annual average increases of 1% through FY 2030.
- Funding for special events grew from $5MM in FY 2009 to $10MM in FY 2016, primarily related to funding for a new 10-year agreement with National Finals Rodeo, as well as the Professional Rodeo Cowboys Association and sponsorships for evolving music festivals.
- The recent growth was exceptional and is not expected to be the trend forward.
- Total expenditures for Special Events is reflected to grow each year until FY 2021 where it stabilizes at $15MM annually.

13. LVCC Operations:
- Scenario A reflects annual average increases of almost 4% through FY 2030.
- Scenario B increases are staggered in over the pro forma horizon, in correlation to anticipated new leasable space coming online. By FY 2026, Operations are projected to increase 30% over current levels, in alignment with the increase in facility space.
- LVCC Operations includes all facility operating costs including personnel, utilities, supplies and services, and R&M activities.

14. Cashman Operations:
- Scenarios A & B reflect annual average increases of 3% through FY 2030.
- No additional impact is anticipated from the LVCCD expansion.

15. Collection Allocation:
- Collection Allocation is directly tied a 10% formula applied to room tax and gaming fee receipts; therefore, collection allocation expenditures increase over the pro forma horizon in alignment with those revenues streams in each scenario.

16. Capital Fund – Transfers for routine capital, FF&E:
- These amounts reflect annual transfers to the Capital Fund, which are used for facility capital improvements beyond normal R&M, major CIP programs, and the routine replacement and additions of furniture, fixtures, equipment, and vehicles.
- Annual transfers may not represent actual expenditures each fiscal year. Unspent monies in the Capital Fund are held in reserve for future year capital programs.
- Scenario A reflects transfers of $2.8MM in FY 2017 growing to $15MM by FY 2020. Transfers increase to $20MM annually from FY 2021 through FY 2030.
- Scenario B reflects transfers increasing to $30MM annually by FY 2026, reflective of the escalated requirements to maintain new facility space as a result of the expansion. In FY 2017 – FY 2023 capital transfers are reduced as compared to Scenario A, as the new facility is being built and renovation of the existing facility would occur. This would reduce the need for regular capital improvements funding during these years.

17. Capital Fund – Transfers for LVCCD Facility Reserves and Reinvestment:
- Scenario A does not reflect additional facility investment or reserve accumulation.
- Scenario B reflects the investment of $20MM of non-recurring building partner contributions to enhance ancillary client support services. This is discussed in more detail in the Pro Forma Assumptions - Revenue section.
- Scenario B also reflects allocations of supplemental funds post-construction, starting in FY 2023, to ensure the expanded facility is maintained at appropriate standards. These amounts represent the projected difference between "new" revenue authorized to support the LVCCD and the annual debt service for Phases Two and Three. The funds will be allocated for reinvestment in the facility for future upgrades, modernization and improvements based on future client needs.
- Scenario B reflects that ongoing business operations, inclusive of the expansion, can be supported without reliance on new revenue streams.

18. OPEB Fund Transfers:
- OPEB transfers are in compliance with GASB guidance to set aside restricted reserves for the LVCVA's future OPEB liability.
- Scenarios A & B reflect moderate annual increases to $6.5MM per year until FY 2022. These years include "catch-up" contributions for prior years to address the OPEB liability, as directed by the LVCVA Board of Directors.
- Annual contributions reduce to $3.5MM in FY 2023, when the contribution level is re-set to projected maintenance levels. Moderate annual growth of 2% is reflected from FY 2024 through FY 2030.

19. Transfers Out for Debt and PayGo Capital Financing:

- Scenario A reflects current debt service obligations through FY 2030. The debt service allocations are broken out by underlying purposes (NDOT, LVCC, LVCCD Phase One, etc.). As depicted in the pro forma, the first modest decline in existing debt occurs in FY 2020, followed by a second moderate decline in FY 2027.
- Scenario A also layers on potential additional debt capacity in future years, as affordable and while maintaining appropriate fund balance levels and debt coverage rates.
- Scenario B incorporates projected financing requirements to support LVCCD Phases Two and Three. Construction funding will be accomplished through a combination of PayGo and debt programs. Underlying future debt assumes:
  - Multiple series of municipal bond issuances will be aligned with the construction programs, phased from 2017 through 2021.
  - Future market rates are conservatively forecast between 5% and 5.25%. Although municipal bond rates are currently trending at less than 4%, the multi-year horizon for the construction program requires an expectation that rates will increase over time.
  - Short term borrowings may be utilized for flexible access to funds, and to bridge the gap between construction funding drawdowns and the periodic issuance of long term fixed bonds.

20. Board Reserve for Contingency:

- Scenarios A & B reflect a fixed amount of $500,000 annually through FY 2030.
- The board contingency is adopted at the beginning of each budget cycle and is restricted for the discretionary use of the Board of Directors.
- Budget amounts are transferred to an appropriate general ledger account based on board directed use of the funds, if necessary.

21. Ending Fund Balance:

- Based on Nevada Administrative Code 354.650-660, a minimum unreserved fund balance of 4.0% of budgeted General Fund operating expenditures must be maintained.
- The LVCVA fiscal practice is to target a budgeted ending fund balance up to 16.0% to prepare for potential variances in economic conditions without detriment to operations.
- Scenario A reflects an average ending fund balance of 11% from FY 2017 through FY 2030, as a result of allocating expected fund balance reserves to new debt capacity.
- Scenario B reflects an average ending fund balance of 15% from FY 2017 through FY 2030, subsequent to building on the entirety of the LVCCD capital financing program revenues and costs. Ending fund balance increases to just over 20% by FY 2028; however, that is a very long time horizon during which unseen economic events or operating conditions will likely occur. Therefore, actual realization of this balance is highly dependent on outside influences. This projected balance provides protection to investors and the public that all LVCVA commitments will be fulfilled as well as affords future generations the ability to adjust to current market conditions by directing unrestricted resources.

LAS VEGAS CONVENTION CENTER DISTRICT

FINANCIAL PLANNING DOCUMENT

JANUARY 2016

Scenario A: Existing Operations "Plus" Projection of LVCVA Additional Debt Capacity
Excludes LVCCD 'new' Revenue, Expenditures, & Capital Funding Program
(FY 2016 - FY 2030)

LVCCD CONSTRUCTION PERIOD - EXPANSION AND RENOVATION

	FY 2015 ACTUAL	REVISED FY 2016 BUDGET	FY 2017 PROJECTED	FY 2018 PROJECTED	FY 2019 PROJECTED	FY 2020 PROJECTED	FY 2021 PROJECTED	FY 2022 PROJECTED	FY 2023 PROJECTED	FY 2024 PROJECTED	FY 2025 PROJECTED	FY 2026 PROJECTED	FY 2027 PROJECTED	FY 2028 PROJECTED	FY 2029 PROJECTED	FY 2030 PROJECTED
REVENUES & SOURCES:																
TAXES & FEES																
1 ROOM TAX	239,318,802	245,100,000	252,453,000	260,026,590	267,827,388	275,862,209	284,138,076	292,662,218	301,442,084	310,485,347	319,799,907	329,393,905	339,275,722	349,453,993	359,937,613	370,735,742
2 GAMING FEES	1,726,843	1,750,000	1,750,000	1,732,500	1,715,175	1,698,023	1,681,043	1,664,233	1,647,590	1,631,114	1,614,803	1,614,803	1,614,803	1,614,803	1,614,803	1,614,803
3 BUILDING PARTNER CAPITAL CONTRIBUTION	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
4 NEW LVCCD REVENUE SOURCES	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
TOTAL TAXES & FEES	241,045,645	246,850,000	254,203,000	261,759,090	269,542,563	277,560,233	285,819,119	294,326,450	303,089,675	312,116,461	321,414,711	331,008,708	340,890,525	351,068,797	361,552,416	372,350,545
USE OF FACILITIES																
5 CONVENTION CENTER (LVCC):																
EXHIBIT HALLS, MEETING ROOMS, PARKING, TECHNOLOGY	40,605,461	41,027,000	44,660,000	42,350,000	42,966,000	51,744,000	44,968,000	44,352,000	49,126,000	46,046,000	43,736,000	54,824,000	43,736,000	46,046,000	51,436,000	47,427,000
CATERING/CONCESSIONS/OTHER	6,488,684	6,495,000	7,540,000	7,150,000	7,254,000	8,736,000	7,592,000	7,488,000	8,294,000	7,774,000	7,384,000	9,256,000	7,384,000	7,774,000	8,684,000	8,006,250
6 LVCCD EXPANSION:																
EXHIBIT HALLS, MEETING ROOMS, PARKING, TECHNOLOGY	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
CATERING/CONCESSIONS/OTHER	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
7 CASHMAN CENTER:																
EXHIBIT HALLS, MEETING ROOMS, PARKING, TECHNOLOGY	1,815,341	1,651,000	1,684,020	1,717,700	1,752,054	1,787,095	1,822,837	1,859,294	1,896,480	1,934,410	1,973,098	2,012,560	2,052,811	2,093,867	2,135,745	2,178,459
CATERING/CONCESSIONS/OTHER	92,283	85,000	86,700	88,434	90,203	92,007	93,847	95,724	97,638	99,591	101,583	103,615	105,687	107,801	109,957	112,156
TOTAL USE OF FACILITIES	49,001,769	49,258,000	53,970,720	51,306,134	52,062,257	62,359,102	54,476,684	53,795,018	59,414,118	55,854,001	53,194,681	66,196,174	53,278,498	56,021,668	62,365,701	57,723,865
OTHER:																
8 TOTAL OTHER	3,328,707	3,346,400	3,410,146	3,475,167	3,541,488	3,609,136	3,678,137	3,748,517	3,820,306	3,893,530	3,968,219	4,044,401	4,122,107	4,201,367	4,282,212	4,364,675
TOTAL REVENUES & SOURCES	**293,376,121**	**299,454,400**	**311,583,866**	**316,540,391**	**325,146,308**	**343,528,471**	**343,973,940**	**351,869,986**	**366,324,099**	**371,863,992**	**378,577,610**	**401,249,283**	**398,291,130**	**411,291,831**	**428,200,330**	**434,439,085**
EXPENDITURES:																
9 GENERAL GOVERNMENT	14,322,106	17,930,500	19,534,915	20,131,627	20,746,668	21,380,603	22,034,018	22,707,515	23,401,716	24,117,262	24,854,814	25,615,055	26,398,686	27,206,433	28,039,045	28,897,291
10 MARKETING	34,725,318	37,650,800	38,780,324	39,943,734	41,142,046	42,376,307	43,647,596	44,957,024	46,305,735	47,694,907	49,125,754	50,599,527	52,117,513	53,681,038	55,291,469	56,950,213
11 ADVERTISING	93,148,972	95,500,000	97,000,000	99,000,000	101,000,000	103,500,000	106,000,000	108,500,000	111,000,000	113,500,000	116,000,000	119,000,000	122,000,000	125,000,000	128,000,000	131,000,000
12 SPECIAL EVENTS	8,765,599	13,035,600	13,426,668	13,829,468	14,244,352	14,671,683	15,000,000	15,000,000	15,000,000	15,000,000	15,000,000	15,000,000	15,000,000	15,000,000	15,000,000	15,000,000
13 LVCC OPERATIONS	35,508,579	39,100,860	41,249,886	42,487,382	43,762,004	45,074,864	46,427,110	47,819,923	49,254,521	50,732,156	52,254,121	53,821,745	55,436,397	57,099,489	58,812,474	60,576,848
14 CASHMAN OPERATIONS	3,945,398	4,344,540	4,474,876	4,609,122	4,747,396	4,889,818	5,036,513	5,187,608	5,343,236	5,503,533	5,668,639	5,838,698	6,013,859	6,194,275	6,380,103	6,571,507
15 COLLECTION ALLOCATION	24,104,565	24,685,000	25,420,300	26,175,909	26,954,256	27,756,023	28,581,912	29,432,645	30,308,967	31,211,646	32,141,471	33,100,871	34,089,052	35,106,880	36,155,242	37,235,054
TOTAL EXPENDITURES	214,520,536	232,247,300	239,886,969	246,177,243	252,596,722	259,649,298	266,727,149	273,604,715	280,614,176	287,759,505	295,044,800	302,975,896	311,055,508	319,288,115	327,678,333	336,230,913
TRANSFERS OUT - CAPITAL & OPEB:																
16 CAPITAL FUND - ROUTINE CAPITAL, FF&E	21,500,000	14,000,000	2,750,000	5,000,000	10,000,000	15,000,000	20,000,000	20,000,000	20,000,000	20,000,000	20,000,000	20,000,000	20,000,000	20,000,000	20,000,000	20,000,000
17 LVCCD FACILITY RESERVES/REINVESTMENT		-	-	-	-	-	-	-								
18 OTHER POST EMPLOYMENT BENEFITS	3,500,000	4,500,000	5,000,000	6,000,000	6,000,000	6,500,000	6,500,000	6,500,000	3,500,000	3,570,000	3,641,400	3,714,228	3,788,513	3,864,283	3,941,568	4,020,400
TOTAL TRANSFERS OUT - CAPITAL & OPEB	25,000,000	18,500,000	7,750,000	11,000,000	16,000,000	21,500,000	26,500,000	26,500,000	23,500,000	23,570,000	23,641,400	23,714,228	23,788,513	23,864,283	23,941,568	24,020,400
TRANSFERS OUT - DEBT & PAYGO:																
DEBT SERVICE NDOT	19,001,073	21,190,858	19,143,562	19,147,635	19,153,476	19,165,791	19,167,103	19,167,166	19,152,827	19,156,023	19,139,858	19,136,834	19,125,727	19,119,774	19,110,404	19,097,155
DEBT SERVICE LVCC	32,169,532	30,674,318	30,691,918	30,583,180	30,646,068	13,924,968	13,992,118	14,454,058	14,465,543	14,446,618	14,459,618	14,456,618	9,040,868	9,036,868	9,051,368	9,057,868
DEBT SERVICE LVCCD - PHASE ONE - LAND	3,818,117	8,359,749	8,363,646	8,467,046	8,466,896	11,940,696	11,986,646	11,982,546	11,984,996	11,991,396	12,001,096	12,031,646	12,069,140	12,085,790	12,079,290	12,140,690
DEBT SERVICE LVCCD - PHASE ONE - LAND (JPM LOC)	-	-	-	-	-	6,000,000	6,000,000	6,000,000	6,000,000	6,000,000	6,000,000	6,000,000	6,000,000	6,000,000	6,000,000	6,000,000
LVCVA CAPACITY FOR DEBT FY 2017 - FY2023	-	-	-	-	-	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000
LVCVA CAPACITY FOR DEBT FY 2024 - FY2030	-	-	-	-	-	-	-	-	-	-	5,000,000	10,000,000	10,000,000	15,000,000	20,000,000	20,000,000
19 TOTAL TRANSFERS OUT DEBT & PAYGO	54,988,722	60,224,925	58,199,126	58,197,861	58,266,440	56,031,455	56,145,867	56,603,770	56,603,366	56,594,037	61,600,572	66,625,098	61,235,735	66,242,432	71,241,062	71,295,713
20 BOARD RESERVE FOR CONTINGENCY	-	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000
TOTAL EXPENDITURES AND OTHER USES	**294,509,258**	**311,472,225**	**306,336,095**	**315,875,104**	**327,363,162**	**337,680,753**	**349,873,016**	**357,208,485**	**361,217,542**	**368,423,542**	**380,786,772**	**393,815,222**	**396,579,755**	**409,894,830**	**423,360,963**	**432,047,026**
FUND BALANCE, BEGINNING	34,720,317	33,587,182	21,569,357	26,817,128	27,482,415	25,265,561	31,113,279	25,214,203	19,875,703	24,982,260	28,422,710	26,213,548	33,647,609	35,358,984	36,755,985	41,595,352
21 FUND BALANCE, ENDING	**33,587,181**	**21,569,357**	**26,817,128**	**27,482,415**	**25,265,561**	**31,113,279**	**25,214,203**	**19,875,703**	**24,982,260**	**28,422,710**	**26,213,548**	**33,647,609**	**35,358,984**	**36,755,985**	**41,595,352**	**43,987,410**
Ending Fund Balance %	**15.7%**	**9.3%**	**11.2%**	**11.1%**	**10.0%**	**12.0%**	**9.4%**	**7.3%**	**8.9%**	**9.9%**	**8.9%**	**11.1%**	**11.3%**	**11.5%**	**12.7%**	**13.1%**

SCENARIO A: EXISTING OPERATIONS "PLUS" PROJECTION OF LVCVA ADDITIONAL DEBT CAPACITY

Scenario B: Incorporates LVCCD Phase Two & Three Projected Operations & Capital Funding Program
"All-in"
(FY 2016 - FY 2030)

SCENARIO B: INCORPORATES LVCCD PHASE TWO & THREE PROJECTED OPERATIONS AND CAPITAL FUNDING PROGRAM

LVCCD CONSTRUCTION PERIOD - EXPANSION AND RENOVATION

		FY 2015 ACTUAL	REVISED FY 2016 BUDGET	FY 2017 PROJECTED	FY 2018 PROJECTED	FY 2019 PROJECTED	FY 2020 PROJECTED	FY 2021 PROJECTED	FY 2022 PROJECTED	FY 2023 PROJECTED	FY 2024 PROJECTED	FY 2025 PROJECTED	FY 2026 PROJECTED	FY 2027 PROJECTED	FY 2028 PROJECTED	FY 2029 PROJECTED	FY 2030 PROJECTED
	REVENUES & SOURCES:																
	TAXES & FEES																
1	ROOM TAX	239,318,802	245,100,000	252,453,000	260,026,590	267,827,388	275,862,209	284,138,076	292,662,218	301,442,084	313,499,768	326,039,759	339,081,349	352,644,603	370,276,833	388,790,675	408,230,208
2	GAMING FEES	1,726,843	1,750,000	1,750,000	1,732,500	1,715,175	1,698,023	1,681,043	1,664,233	1,647,590	1,631,114	1,614,803	1,614,803	1,614,803	1,614,803	1,614,803	1,614,803
3	BUILDING PARTNER CAPITAL CONTRIBUTION	-	-	-	10,000,000	10,000,000	-	-	-	-	-	-	-	-	-	-	-
4	NEW LVCCD REVENUE SOURCES	-	-	40,000,000	80,000,000	82,000,000	84,100,000	86,300,000	88,500,000	90,800,000	93,100,000	95,500,000	97,900,000	100,400,000	103,000,000	105,600,000	108,300,000
	TOTAL TAXES & FEES	241,045,645	246,850,000	294,203,000	351,759,090	361,542,563	361,660,233	372,119,119	382,826,450	393,889,675	408,230,882	423,154,562	438,596,152	454,659,406	474,891,636	496,005,478	518,145,012
	USE OF FACILITIES																
5	CONVENTION CENTER (LVCC):																
	EXHIBIT HALLS, MEETING ROOMS, PARKING, TECHNOLOGY	40,605,461	41,027,000	44,660,000	42,350,000	42,966,000	51,744,000	44,968,000	44,352,000	49,126,000	46,046,000	43,736,000	54,824,000	43,736,000	46,046,000	51,436,000	47,427,000
	CATERING/CONCESSIONS/OTHER	6,488,684	6,495,000	7,540,000	7,150,000	7,254,000	8,736,000	7,592,000	7,488,000	8,294,000	7,774,000	7,384,000	9,256,000	7,384,000	7,774,000	8,684,000	8,006,250
6	LVCCD EXPANSION:																
	EXHIBIT HALLS, MEETING ROOMS, PARKING, TECHNOLOGY	-	-	-	-	-	2,550,000	2,250,000	2,250,000	2,640,000	7,200,000	8,250,000	13,200,000	10,950,000	13,050,000	17,655,000	14,850,000
	CATERING/CONCESSIONS/OTHER	-	-	-	-	-	446,250	393,750	393,750	462,000	1,260,000	1,443,750	2,310,000	1,916,250	2,283,750	3,089,625	2,598,750
7	CASHMAN CENTER:																
	EXHIBIT HALLS, MEETING ROOMS, PARKING, TECHNOLOGY	1,815,341	1,651,000	1,684,020	1,717,700	1,752,054	1,787,095	1,822,837	1,859,294	1,896,480	1,934,410	1,973,098	2,012,560	2,052,811	2,093,867	2,135,745	2,178,459
	CATERING/CONCESSIONS/OTHER	92,283	85,000	86,700	88,434	90,203	92,007	93,847	95,724	97,638	99,591	101,583	103,615	105,687	107,801	109,957	112,156
	TOTAL USE OF FACILITIES	49,001,769	49,258,000	53,970,720	51,306,134	52,062,257	65,355,352	57,120,434	56,438,768	62,516,118	64,314,001	62,888,431	81,706,174	66,144,748	71,355,418	83,110,326	75,172,615
	OTHER:																
8	TOTAL OTHER	3,328,707	3,346,400	3,410,146	3,475,167	3,541,488	3,609,136	3,678,137	3,748,517	3,820,306	3,893,530	3,968,219	4,044,401	4,122,107	4,201,367	4,282,212	4,364,675
	TOTAL REVENUES & SOURCES	**293,376,121**	**299,454,400**	**351,583,866**	**406,540,391**	**417,146,308**	**430,624,721**	**432,917,690**	**443,013,736**	**460,226,099**	**476,438,413**	**490,011,211**	**524,346,727**	**524,926,261**	**550,448,421**	**583,398,016**	**597,682,301**
	EXPENDITURES:																
9	GENERAL GOVERNMENT	14,322,106	17,930,500	19,992,415	21,032,427	21,683,500	22,354,908	23,047,295	23,761,324	24,497,677	25,257,062	26,040,206	26,847,862	27,680,805	28,539,837	29,425,785	30,339,501
10	MARKETING	34,725,318	37,650,800	40,020,374	41,350,675	43,040,627	44,835,346	46,150,407	47,504,919	48,900,066	50,837,068	52,317,180	53,841,696	55,411,947	57,529,305	59,195,184	60,911,040
11	ADVERTISING	93,148,972	95,500,000	97,000,000	99,000,000	101,000,000	103,500,000	106,000,000	108,500,000	111,000,000	113,500,000	116,000,000	119,000,000	122,000,000	125,000,000	128,000,000	131,000,000
12	SPECIAL EVENTS	8,765,599	13,035,600	13,426,668	13,829,468	14,244,352	14,671,683	15,000,000	15,000,000	15,000,000	15,000,000	15,000,000	15,000,000	15,000,000	15,000,000	15,000,000	15,000,000
13	LVCC OPERATIONS	35,508,579	39,100,860	42,621,629	43,900,278	45,217,286	50,071,332	51,573,472	55,771,053	57,444,184	61,979,294	63,838,673	71,719,878	73,871,474	76,087,618	78,370,247	80,721,354
14	CASHMAN OPERATIONS	3,945,398	4,344,540	4,474,876	4,609,122	4,747,396	4,889,818	5,036,513	5,187,608	5,343,236	5,503,533	5,668,639	5,838,698	6,013,859	6,194,275	6,380,103	6,571,507
15	COLLECTION ALLOCATION	24,104,565	24,685,000	25,420,300	26,175,909	26,954,256	27,756,023	28,581,912	29,432,645	30,308,967	31,513,088	32,765,456	34,069,615	35,425,941	37,189,164	39,040,548	40,984,501
	TOTAL EXPENDITURES	214,520,536	232,247,300	242,956,262	249,897,880	256,887,418	268,079,111	275,389,599	285,157,548	292,494,131	303,590,046	311,630,155	326,317,749	335,404,026	345,540,200	355,411,867	365,527,903
	TRANSFERS OUT - CAPITAL & OPEB:																
16	CAPITAL FUND - ROUTINE CAPITAL, FF&E	21,500,000	14,000,000	2,750,000	5,000,000	5,000,000	5,000,000	5,000,000	15,000,000	15,000,000	20,000,000	25,000,000	30,000,000	30,000,000	35,000,000	35,000,000	35,000,000
17	LVCCD FACILITY RESERVES/REINVESTMENT	-	-	-	10,000,000	10,000,000	-	-	-	2,715,675	4,978,275	7,350,337	9,714,775	12,175,537	14,736,575	17,286,850	19,951,087
18	OTHER POST EMPLOYMENT BENEFITS	3,500,000	4,500,000	5,000,000	6,000,000	6,000,000	6,500,000	6,500,000	6,500,000	3,500,000	3,570,000	3,641,400	3,714,228	3,788,513	3,864,283	3,941,568	4,020,400
	TOTAL TRANSFERS OUT - CAPITAL & OPEB	25,000,000	18,500,000	7,750,000	21,000,000	21,000,000	11,500,000	11,500,000	21,500,000	21,215,675	28,548,275	35,991,737	43,429,003	45,964,050	53,600,858	56,228,418	58,971,487
	TRANSFERS OUT - DEBT & PAYGO:																
	DEBT SERVICE NDOT	19,001,073	21,190,858	19,143,562	19,147,635	19,153,476	19,165,791	19,167,103	19,167,166	19,152,827	19,156,023	19,139,858	19,136,834	19,125,727	19,119,774	19,110,404	19,097,155
	DEBT SERVICE LVCC	32,169,532	30,674,318	30,691,918	30,583,180	30,646,068	13,924,968	13,992,118	14,454,058	14,465,543	14,446,618	14,459,618	14,456,618	9,040,868	9,036,868	9,051,368	9,057,868
	DEBT SERVICE LVCCD - PHASE ONE - LAND	3,818,117	8,359,749	8,363,646	8,467,046	8,466,896	11,940,696	11,986,646	11,982,546	11,984,996	11,991,396	12,001,096	12,031,646	12,069,140	12,085,790	12,079,290	12,140,690
	DEBT SERVICE LVCCD - PHASE ONE - LAND (JPM LOC)	-	-	-	-	-	6,000,000	6,000,000	6,000,000	6,000,000	6,000,000	6,000,000	6,000,000	6,000,000	6,000,000	6,000,000	6,000,000
	LVCCD DEBT SERVICE - PHASE TWO & THREE	-	-	7,274,500	14,549,000	28,566,631	42,584,263	60,155,050	81,346,338	88,084,325	88,121,725	88,149,663	88,185,225	88,224,463	88,263,425	88,313,150	88,348,913
	LVCCD PAYGO PHASE TWO & THREE	-	-	30,000,000	63,256,565	48,492,390	58,366,228	33,113,268	13,003,976	-	-	-	-	-	-	-	-
19	TOTAL TRANSFERS OUT DEBT & PAY-GO	54,988,722	60,224,925	95,473,626	136,003,426	135,325,461	151,981,946	144,414,185	145,954,084	139,687,691	139,715,762	139,750,235	139,810,323	134,460,198	134,505,857	134,554,212	134,644,626
20	BOARD RESERVE FOR CONTINGENCY	-	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000
	TOTAL EXPENDITURES AND OTHER USES	**294,509,258**	**311,472,225**	**346,679,888**	**407,401,306**	**413,712,879**	**432,061,057**	**431,803,784**	**453,111,632**	**453,897,497**	**472,354,083**	**487,872,127**	**510,057,075**	**516,328,274**	**534,146,914**	**546,694,498**	**559,644,015**
	FUND BALANCE, BEGINNING	34,720,317	33,587,182	21,569,357	26,473,335	25,612,420	29,045,850	27,609,514	28,723,420	18,625,524	24,954,125	29,038,455	31,177,539	45,467,192	54,065,179	70,366,685	107,070,204
21	**FUND BALANCE, ENDING**	**33,587,181**	**21,569,357**	**26,473,335**	**25,612,420**	**29,045,850**	**27,609,514**	**28,723,420**	**18,625,524**	**24,954,125**	**29,038,455**	**31,177,539**	**45,467,192**	**54,065,179**	**70,366,685**	**107,070,204**	**145,108,490**
	Ending Fund Balance %	**15.7%**	**9.3%**	**10.9%**	**10.2%**	**11.3%**	**10.3%**	**10.4%**	**6.5%**	**8.5%**	**9.5%**	**10.0%**	**13.9%**	**16.1%**	**20.3%**	**30.1%**	**39.6%**

ATTACHMENTS

10 Year History LVCVA Operating Revenues & Expenditures

10 Year History LVCVA Capital Investment in Facilities

History of Room Tax All Recipients

History of Collection Allocation Returned to Collecting Entity

Most recent Moody's and Standard & Poor's Ratings reports (Revenue & GO Bonds)

LAS VEGAS CONVENTION CENTER DISTRICT

FINANCIAL PLANNING DOCUMENT

JANUARY 2016

10 Year History
LVCVA Operating Revenues & Expenditures*

	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015
Beginning Fund Balance	$ 47,028,002	$ 29,590,304	$ 37,140,544	$ 45,727,619	$ 18,447,554	$ 19,500,027	$ 35,727,203	$ 33,450,413	$ 21,281,491	$ 34,720,322
Revenues & Sources										
Room Tax	$ 200,086,827	$ 213,256,076	$ 220,733,128	$ 176,726,992	$ 154,046,265	$ 175,425,978	$ 199,592,498	$ 203,196,429	$ 222,781,385	$ 239,318,802
Facility Use LVCC	42,583,037	43,197,430	50,848,050	41,474,676	40,550,001	44,157,694	45,004,264	43,228,222	55,137,400	47,094,146
Other**	7,740,212	9,668,223	8,692,877	6,267,121	5,946,164	5,920,151	5,978,252	6,450,262	7,359,113	6,601,071
Interest & Investment Earnings	2,757,487	2,992,187	1,639,755	666,724	188,525	551,904	240,177	170,348	353,464	188,830
Miscellaneous & Other Financing Sources***	1,095,319	2,543,845	4,227,582	2,286,284	13,647,846	11,574,335	325,449	133,112	198,547	173,273
Total Revenues & Sources	**$ 254,262,882**	**$ 271,657,761**	**$ 286,141,392**	**$ 227,421,797**	**$ 214,378,801**	**$ 237,630,062**	**$ 251,140,640**	**$ 253,178,373**	**$ 285,829,909**	**$ 293,376,122**
Expenditures & Uses										
General Government	$ 7,429,634	$ 7,799,028	$ 9,192,348	$ 12,860,753	$ 10,700,952	$ 10,373,913	$ 12,452,224	$ 13,246,144	$ 14,208,721	$ 14,322,107
Marketing	31,990,835	33,079,357	33,908,754	30,165,052	26,754,911	27,458,590	30,289,998	30,301,848	28,242,821	34,725,317
Advertising	82,923,473	84,713,300	88,074,185	89,547,692	87,199,280	79,504,487	83,636,231	90,587,216	92,470,992	93,148,972
Special Events	9,816,706	13,543,716	11,967,338	6,574,417	7,437,670	8,058,471	7,713,777	8,233,771	8,570,890	8,765,599
Operations	36,890,102	41,269,630	43,940,271	37,350,037	34,186,143	34,008,771	37,131,878	36,690,902	44,964,996	39,453,977
Community Support	24,435,261	24,873,202	26,918,858	20,249,779	16,749,540	18,985,179	21,157,585	20,509,181	22,449,149	24,104,565
Transfers to Other Funds	78,214,569	58,829,288	63,552,563	57,954,132	30,297,832	43,013,475	61,035,737	65,778,233	61,483,509	79,988,725
Total Expenditures & Uses	**$ 271,700,580**	**$ 264,107,521**	**$ 277,554,317**	**$ 254,701,862**	**$ 213,326,328**	**$ 221,402,886**	**$ 253,417,430**	**$ 265,347,295**	**$ 272,391,078**	**$ 294,509,262**
Ending Fund Balance	$ 29,590,304	$ 37,140,544	$ 45,727,619	$ 18,447,554	$ 19,500,027	$ 35,727,203	$ 33,450,413	$ 21,281,491	$ 34,720,322	$ 33,587,182

* Only general fund data presented.

** Amounts include Cashman operations, gaming fees and other fees and charges such as rent.

*** Amounts include proceeds from the sale of assets and transfers in from others funds.

LAS VEGAS CONVENTION CENTER DISTRICT

FINANCIAL PLANNING DOCUMENT

JANUARY 2016

10 Year History
LVCVA Capital Investment in Facilities

CAPITAL INVESTMENT IN FACILITIES	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015
Major Facility Capital Improvement Projects (CIP):										
Central Restrooms, Data Center, Early Construction Mockups, & Other Pre-Construction	$ 8,223,189	$ 19,295,860	$ 41,545,250	$ 37,619,477	$ 8,235,113	$ 503,514	$ 87,691	$ -	$ -	$ -
LVMPD Substation/Area Command	55,360	1,414,552	13,164,579	2,840,500	-	-	-	-	-	-
Fire Sprinkler Upgrades	-	-	-	28,000	3,500	2,256,555	2,535,688	912,154	-	-
Business Partner Facility Improvements	-	-	655,834	281,668	605,498	879,791	951,469	365,535	442,033	785,448
Carpet Replacement at LVCC	-	-	-	-	-	-	782,261	3,048,421	-	-
Central Plant & Distribution Improvement	-	-	-	16,976	-	2,420,744	-	-	-	-
Halide Lamp Replacement at LVCC	-	-	-	-	-	2,000	401,714	1,082,555	441,714	320,839
Telecommunications Upgrade	-	-	-	-	6,248	1,916,966	212,956	-	-	-
Desert Inn Meeting Room Structure	-	-	791,588	858,583	-	-	-	-	-	-
Utility Installations & Relocations	-	-	-	1,472,472	26,541	-	-	-	-	-
NV Energy Back-Up Feeder Line	-	-	-	-	-	-	792,630	572,903	-	83,481
Central Plant Ceramic Towers (New)	-	-	-	-	-	-	-	27,100	1,378,387	-
Preliminary LVCCD Expansion & Renovation Project	-	-	-	-	-	-	13,000	530,731	492,472	172,705
Emergency Notification System	-	-	-	-	-	-	67,887	7,543	966,684	125,451
North Lobby & Meeting Room Renovations	-	-	5,940	824,932	-	-	-	-	-	-
Exterior Painting at LVCC	-	-	-	-	-	-	-	1,725,349	80,380	-
Other Aggregated Building Improvements at LVCC	1,161,548	1,161,548	1,161,548	1,161,548	1,161,548	1,161,548	1,161,548	1,161,548	1,161,548	1,161,548
Furniture, Fixtures & Equipment, PC Lease	2,076,000	2,763,284	2,279,758	939,819	248,255	928,943	1,220,614	1,858,374	1,297,321	623,972
Other Cashman Capital Assets & Improvements	285,436	79,938	440,351	233,166	573,901	149,049	571,558	26,213	79,624	62,155
Total Major Facility CIP	**$ 11,801,533**	**$ 24,715,182**	**$ 60,044,849**	**$ 46,277,141**	**$ 10,860,604**	**$ 10,219,111**	**$ 8,799,017**	**$ 11,318,425**	**$ 6,340,164**	**$ 3,335,599**
Land Acquisitions, Demolition, & Site Improvements:										
2901 Las Vegas Blvd. Land (Riviera)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 187,490,447
3380 Swenson Land (Blue Harbor Apartments)	-	-	49,884,350	-	-	-	-	-	-	-
552/560/594 Sierra Vista Land	-	-	-	-	-	-	-	22,361,767	-	-
500/650 Sierra Vista Land	-	-	-	-	-	-	-	-	21,096,119	54,545
454 Sierra Vista Land	11,107,414	50,730	-	-	-	-	-	-	-	-
750 Sierra Vista Land	10,326,440	-	-	-	-	-	-	-	-	-
486 Sierra Vista Land	7,102,500	-	-	-	-	-	-	-	-	-
820 Desert Inn (Frey Property)	5,922,388	-	144,835	85,290	-	-	-	-	-	-
3260 Joe W Brown (White House)	-	3,599,101	107,586	834,913	-	-	-	-	-	-
3333 Cambridge (Lowden)	-	1,851,703	166,434	67,907	7,425	-	-	-	-	-
3380 Swenson (Purple Lot)	-	-	223,498	24,234	28,588	31,511	19,135	1,475,917	2,495	-
Apartment Demolition (Silver 5)	-	-	-	-	-	-	-	86,224	1,073,745	-
Grand Concourse/Silver Lot 1 & 2		-	801,958	292,280	-	-	-	-	-	-
Site Improvements Project (Green Lot)	842,760	-	-	-	-	-	-	-	-	-
Sierra Vista Corner Lot Development	-	-	-	-	-	-	-	24,832	72,446	679,356
Other LVCC Land Improvements	344,944	299,382	964,013	53,500	138,321	24,630	384,345	688,481	643,650	1,458,278
Cashman Land Improvements	265,241	449,266	774,161	93,827	5,330	121,402	157,272	77,056	57,667	142,118
Total Land Acquisitions, Demolition, & Site Improvements	**$ 35,911,687**	**$ 6,250,181**	**$ 53,066,834**	**$ 1,451,951**	**$ 179,663**	**$ 177,543**	**$ 560,752**	**$ 24,714,278**	**$ 22,946,122**	**$ 189,824,744**
TOTAL CAPITAL INVESTMENTS IN FACILITIES	**$ 47,713,221**	**$ 30,965,363**	**$ 113,111,683**	**$ 47,729,092**	**$ 11,040,268**	**$ 10,396,654**	**$ 9,359,768**	**$ 36,032,703**	**$ 29,286,285**	**$ 193,160,343**

LAS VEGAS CONVENTION CENTER DISTRICT

FINANCIAL PLANNING DOCUMENT

JANUARY 2016

History of Room Tax
All Recipients
(FY 1961 - FY 2015 Staggered Years)

Fiscal Year	**1961 - 1969 (2)**	**1970 - 1983 (2)**	**1984 - 1991 (2)**	**1992 - 1997 (3)**	**1998 - 2008 (3)**	**2009 (3)**	**2010 (3)**	**2011 (3)**	**2012 (3)**	**2013 (3)**	**2014 (3)**	**2015 (3)**	**Total**
LVCVA (Gross)	$ 18,644,691	$ 145,584,000	$ 253,926,235	$ 430,972,067	$ 1,684,053,745	$ 176,726,992	$ 154,046,265	$ 175,425,978	$ 199,592,498	$ 203,196,429	$ 222,781,385	$ 239,318,802	$ 3,904,269,086
Collection Allocation from LVCVA (1)	(1,864,469)	(14,558,400)	(24,819,657)	(38,096,597)	(165,895,484)	(17,672,699)	(15,404,627)	(17,542,598)	(19,959,250)	(20,319,643)	(22,278,139)	(23,931,880)	(382,343,442)
NDOT Debt						(1,505,554)	(4,176,047)	(16,379,353)	(19,137,373)	(18,836,232)	(21,178,758)	(21,186,259)	(102,399,576)
Net LVCVA	**$ 16,780,222**	**$ 131,025,600**	**$ 229,106,578**	**$ 392,875,470**	**$ 1,518,158,261**	**$ 157,548,739**	**$ 134,465,591**	**$ 141,504,027**	**$ 160,495,875**	**$ 164,040,554**	**$ 179,324,489**	**$ 194,200,663**	**$ 3,419,526,068**
NDOT Debt						**$ 1,505,554**	**$ 4,176,047**	**$ 16,379,353**	**$ 19,137,373**	**$ 18,836,232**	**$ 21,178,758**	**$ 21,186,259**	**$ 102,399,576**
NCOT Gross (3/8%)			19,485,915	30,000,655	129,335,007	13,948,908	12,116,888	13,810,386	15,666,124	15,955,266	17,530,506	18,736,557	286,586,213
Collection Allocation from NCOT (1)			-	-	-	-	-	-	-	-	-	-	-
Net NCOT	**$ -**	**$ -**	**$ 19,485,915**	**$ 30,000,655**	**$ 129,335,007**	**$ 13,948,908**	**$ 12,116,888**	**$ 13,810,386**	**$ 15,666,124**	**$ 15,955,266**	**$ 17,530,506**	**$ 18,736,557**	**$ 286,586,213**
State General Fund/Schools Gross (3%)							88,377,096	109,088,770	124,473,472	126,989,418	138,974,519	148,902,500	736,805,775
Collection Allocation from State (1)							-	-	-	-	-	-	-
Net State of Nevada	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ 88,377,096**	**$ 109,088,770**	**$ 124,473,472**	**$ 126,989,418**	**$ 138,974,519**	**$ 148,902,500**	**$ 736,805,775**
CCSD Gross (1 5/8%)					532,182,277	60,424,454	55,412,353	62,382,237	69,342,936	70,643,941	77,781,812	85,405,191	1,013,575,201
Collection Allocation from CCSD (1)					-	-	-	-	-	-	-	-	-
Net CCSD	**$ -**	**$ -**	**$ -**	**$ -**	**$ 532,182,277**	**$ 60,424,454**	**$ 55,412,353**	**$ 62,382,237**	**$ 69,342,936**	**$ 70,643,941**	**$ 77,781,812**	**$ 85,405,191**	**$ 1,013,575,201**
Clark County Transportation Gross (1%)				79,293,244	345,011,556	37,171,496	34,992,804	39,561,454	44,759,631	45,601,393	50,082,653	53,817,737	730,291,968
Collection Allocation from Clark County Transportation (1)				-	-	-	-	-	-	-	-	-	-
Net Clark County Transportation	**$ -**	**$ -**	**$ -**	**$ 79,293,244**	**$ 345,011,556**	**$ 37,171,496**	**$ 34,992,804**	**$ 39,561,454**	**$ 44,759,631**	**$ 45,601,393**	**$ 50,082,653**	**$ 53,817,737**	**$ 730,291,968**
Retained By Collecting Entities		29,818,410	62,388,198	94,372,960	397,679,444	43,691,864	38,023,455	43,700,188	50,635,511	51,545,465	56,846,685	59,549,180	928,251,360
Collection Allocation to Collecting Entities (1)	1,864,469	14,558,400	24,819,657	38,096,597	165,895,484	17,672,699	15,404,627	17,542,598	19,959,250	20,319,643	22,278,139	23,931,880	382,343,442
Net Collecting Entities	**$ 1,864,469**	**$ 44,376,810**	**$ 87,207,855**	**$ 132,469,557**	**$ 563,574,928**	**$ 61,364,563**	**$ 53,428,082**	**$ 61,242,786**	**$ 70,594,761**	**$ 71,865,108**	**$ 79,124,824**	**$ 83,481,060**	**$ 1,310,594,802**
Total	**$ 18,644,691**	**$ 175,402,410**	**$ 335,800,348**	**$ 634,638,926**	**$ 3,088,262,029**	**$ 331,963,715**	**$ 382,968,860**	**$ 443,969,013**	**$ 504,470,172**	**$ 513,931,912**	**$ 563,997,561**	**$ 605,729,967**	**$ 7,599,779,603**

Room Tax Rate:	5%	6%	7%	8%	9%	9%	12%	12%	12%	12%	12%	12%	12%
Recipient Modifications:	5% to LVCVA	1% to Local Entities	3/8% to NCOT 5/8% to LVCVA	1% to Transportation	1% to CCSD 5/8% from LVCVA to CCSD	NDOT Mandate	3% to State of NV						

(1) Collection Allocation is shown as 10% of room tax only. Collection Allocation is shown as a reduction in LVCVA gross receipts AND as an increase to collecting entities. Collection Allocation is only remitted by the LVCVA, no other recipient.

(2) Values for the total room tax are estimated; based on actual LVCVA room tax received. Data prior to 1991 is extrapolated based on the LVCVA's room tax total.

(3) Amounts from State of Nevada Department of Taxation Transient Lodging Report.

LAS VEGAS CONVENTION CENTER DISTRICT

FINANCIAL PLANNING DOCUMENT

JANUARY 2016

History of Collection Allocation Returned to Collecting Entities (FY 1961 - FY 2015)

	Boulder City	City of Henderson	City of Las Vegas	City of Mesquite	City of North Las Vegas	Clark County	Total Entities
FY 1961	$ 747	$ 155	$ 14,563	$ -	$ 763	$ 67,880	$ 84,108
FY 1962	751	143	31,375	-	870	121,076	154,215
FY 1963	1,005	348	38,215	-	980	139,436	179,983
FY 1964	837	494	39,560	-	1,339	147,042	189,272
FY 1965	732	476	38,669	-	1,586	149,715	191,177
FY 1966	3,500	14,120	74,171	-	21,181	107,361	220,333
FY 1967	649	555	46,002	-	1,606	203,316	252,128
FY 1968	3,500	21,484	112,850	-	32,226	129,453	299,513
FY 1969	6,368	25,389	133,283	-	38,097	141,165	344,302
FY 1970	7,442	29,670	155,757	-	44,521	151,132	388,522
FY 1971	8,175	32,593	171,105	-	48,908	162,780	423,561
FY 1972	8,956	35,708	187,456	-	53,581	172,123	457,824
FY 1973	10,475	41,764	219,248	-	62,669	190,291	524,447
FY 1974	12,988	51,780	271,829	-	77,698	220,339	634,634
FY 1975	15,137	60,348	316,809	-	90,555	246,043	728,892
FY 1976	17,240	68,733	360,831	-	103,138	271,200	821,142
FY 1977	21,383	85,250	447,540	-	127,922	320,751	1,002,846
FY 1978	25,326	100,971	530,067	-	151,511	367,911	1,175,786
FY 1979	31,731	126,506	664,123	-	189,829	444,519	1,456,708
FY 1980	38,399	153,092	803,694	-	229,723	524,277	1,749,185
FY 1981	40,934	163,198	856,744	-	244,887	554,594	1,860,357
FY 1982	42,950	171,235	898,940	-	256,947	578,706	1,948,778
FY 1983	44,139	175,974	923,813	-	264,057	592,920	2,000,903
FY 1984	45,588	182,352	785,357	-	273,529	785,357	2,072,183
FY 1985	51,853	207,410	880,452	-	311,115	906,101	2,356,931
FY 1986	56,698	226,794	949,974	-	340,191	1,003,545	2,577,202
FY 1987	65,256	259,415	1,014,365	145,136	389,928	1,108,442	2,982,542
FY 1988	72,680	289,068	1,089,138	132,146	434,429	1,286,181	3,303,642
FY 1989	77,942	309,999	1,118,477	141,714	465,884	1,428,127	3,542,143
FY 1990	88,008	350,032	1,206,678	160,015	526,048	1,670,286	4,001,067
FY 1991	98,382	391,293	1,292,384	178,877	588,057	1,922,924	4,471,917
FY 1992	100,002	399,127	1,322,387	179,841	595,136	1,964,886	4,561,379
FY 1993	106,394	431,559	1,450,251	181,501	620,260	2,141,659	4,931,624
FY 1994	123,857	516,698	1,777,885	190,959	695,361	2,598,985	5,903,745
FY 1995	143,599	621,434	2,201,422	189,591	764,422	3,178,755	7,099,223
FY 1996	172,121	811,313	2,663,955	312,946	535,138	3,328,183	7,823,656
FY 1997	189,478	921,457	2,926,979	344,505	618,466	3,611,736	8,612,621
FY 1998	193,671	989,928	3,004,618	352,128	635,276	3,627,589	8,803,210
FY 1999	219,108	1,185,108	3,395,770	398,378	750,595	4,010,485	9,959,444
FY 2000	269,085	1,493,821	4,114,807	489,246	999,369	4,864,817	12,231,145
FY 2001	303,438	1,750,877	4,568,376	551,705	1,154,808	5,463,424	13,792,628
FY 2002	277,581	1,676,321	4,100,912	504,693	1,057,484	5,000,325	12,617,316
FY 2003	291,788	1,681,130	4,282,631	530,524	1,092,287	5,384,741	13,263,101
FY 2004	341,075	2,001,490	4,919,231	620,136	1,299,186	6,322,289	15,503,407
FY 2005	392,042	2,282,755	5,550,961	712,804	1,532,529	7,349,010	17,820,101
FY 2006	444,511	2,588,452	6,176,979	808,202	1,864,095	8,322,805	20,205,044
FY 2007	473,452	2,758,525	6,503,053	860,822	2,072,490	8,852,199	21,520,541
FY 2008	477,383	2,838,620	6,697,257	865,533	2,134,974	9,244,731	22,258,498
FY 2009	393,422	2,272,906	5,159,192	715,313	1,838,353	7,503,630	17,882,816
FY 2010	343,215	2,042,128	4,497,673	624,027	1,627,150	6,466,478	15,600,671
FY 2011	390,159	2,324,995	5,135,916	709,381	1,867,445	7,306,621	17,734,517
FY 2012	443,093	2,612,241	5,732,037	805,624	2,124,833	8,422,775	20,140,603
FY 2013	451,062	2,632,560	5,845,349	820,112	2,224,554	8,529,166	20,502,803
FY 2014	473,452	2,758,525	6,503,053	860,822	2,082,929	9,770,369	22,449,149
FY 2015	473,452	2,758,525	6,503,336	860,822	2,096,928	11,411,502	24,104,565
Total	**$ 8,386,211**	**$ 45,926,844**	**$ 120,707,498**	**$ 14,247,503**	**$ 37,657,843**	**$ 160,792,152**	**$ 387,718,050**

Note: This report is strictly what was remitted by the LVCVA as recorded in its audited financial statements related to collection allocation. This report includes the gaming fee portion of collection allocation which is why it does not balance to the "History of Room Tax" report.

MOODY'S
INVESTORS SERVICE

Rating Action: Moody's affirms A1 on Las Vegas Convention & Visitors Authority (NV) revenue bonds; outlook stable

Global Credit Research - 23 Feb 2015

$203.8 million of debt affected

New York, February 23, 2015 -- Moody's Investors Service has affirmed the A1 rating on the Las Vegas Convention and Visitors Authority's (LVCVA) revenue bonds outstanding in the amount of $203.8 million. The rating outlook on the authority remains stable.

SUMMARY RATING RATIONALE

The A1 rating primarily reflects the authority's pledge of hotel room taxes and facility charges that are benefitting from economic recovery in the Las Vegas metro area's cyclical and tourism dependent economy. The rating incorporates the authority's pledge of economically-sensitive hotel taxes that demonstrate a trend of long-term growth but nevertheless declined significantly in the recent recession. Also, net pledged revenues continue to provide solid coverage of peak debt service for both the authority's revenue debt and double-barreled GOLT bonds issued through Clark County. Lastly, legal provisions are satisfactory.

OUTLOOK

The stable outlook on LVCVA reflects that the economy of the Las Vegas metro area will continue to improve but remain dependent on cyclical tourism activity. Improving economic trends nationally, and globally, are directly benefitting the authority's revenues as visitor volumes and room rates improve to new all-time highs. The authority also benefits from multi-year commitments for many conventions and trade shows that directly support pledged revenues. Also, management remains committed to its goal of maintaining at least 3.0 times coverage of annual debt service, despite potential and substantial capital plans for the next ten years.

WHAT COULD MAKE THE RATING GO UP

• Sustainable and significant growth in pledged revenues and peak debt service coverage

• Reduced cyclical volatility in pledged revenues

WHAT COULD MAKE THE RATING GO DOWN

• Substantial declines in pledged revenues, particularly hotel tax receipts

• Substantial additional debt issuances that significantly reduce debt service coverage below management's target

OBLIGOR PROFILE

LVCVA is a governmental entity separate and apart from Clark County with its own governing board and independent administrative staff. The authority markets Las Vegas as a global travel destination for business and leisure.

LEGAL SECURITY

LVCVA's revenue bonds are secured by the authority's pledge of net revenues from hotel taxes collected throughout Clark County as well as revenues from its convention facilities.

The bonds are on parity with the authority's double-barreled bonds issued through the Clark County that are also secured by the county's GOLT pledge, which are outstanding in the approximate amount of $395.1 million.

USE OF PROCEEDS

Not applicable

RATING METHODOLOGY

The principal methodology used in this rating was US Public Finance Special Tax Methodology published in January 2014. Please see the Credit Policy page on www.moodys.com for a copy of this methodology.

REGULATORY DISCLOSURES

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Summary:

Las Vegas Convention & Visitors Authority; Miscellaneous Tax

Credit Profile		
Las Vegas Convention & Visitors Auth misc tax (AMBAC)		
Unenhanced Rating	A+(SPUR)/Stable	Affirmed

Rationale

Standard & Poor's Ratings Services affirmed its 'A+' long-term rating and underlying rating (SPUR), with a stable outlook, on Las Vegas Convention & Visitors Authority's revenue bonds.

The rating reflects our opinion of the authority's:

- Very strong debt service coverage (DSC) of 3.3x for fiscal 2013, increasing to nearly 3.5x in fiscal 2014;
- Participation in the stabilizing Las Vegas-Clark County metropolitan statistical area, which maintains its leading position as a national and international destination for tourists, business travelers, special events, and conventions;
- Extremely large base of hotels and rooms (more than 160,000 rooms) that generate approximately 80% of gross pledged revenue with no significant concentration in collections by any single hotel; and
- Continued development and redevelopment of casino hotels.

We believe somewhat offsetting credit concerns include, what we consider, the authority's:

- Reliance on stabilizing, albeit more-volatile, revenue streams that experienced significant decreases during the past recession; and
- Facility operating costs, paid before debt service, that can grow at the authority's option.

In addition, we believe the hotel tax rate's fixed nature, which the authority cannot increase, further offsets these strengths.

Hotel taxes collected throughout Clark County, net of operations-and-maintenance (O&M) costs at the authority's convention center and related facilities, and revenue generated by those facilities secure the revenue bonds. Through June 30, 2014, the authority's debt totaled $624 million, including $218 million of revenue bonds and an additional $406 million of bonds secured by pledged revenue and the county's general obligation (GO) pledge. Those bonds are a direct GO of the county, secured by its full-faith-and-credit property tax pledge, subject to a statutory limit on overlapping debt of $3.64 per $100 of assessed value.

In addition, we understand the authority plans to enter into a privately placed credit agreement with DNT Asset Trust and J.P. Morgan Chase Bank N.A. as the administrative agent. This agreement provides the authority with a line of credit, not to exceed $275 million, it plans to draw on over the next two years to fund property acquisition and various capital projects at, and in the vicinity of, the Las Vegas Convention Center, as well as countywide. We understand funds borrowed under the credit line are fully subordinate to the authority's previously issued revenue bonds and bonds secured by both pledged revenue and the county's full-faith-and-credit-GO property tax pledge.

Pledged hotel taxes and facility revenue, net of O&M costs, secure the authority's credit line on a subordinate basis to its previously issued senior-lien revenue bonds and senior-lien revenue-supported GO bonds. Under the credit agreement, amounts drawn against the credit line are subject to accelerated repayment upon an event of default. We, however, understand authority officials must first use pledged revenue to fund the annual senior-lien debt service requirement and required reserves in full before it can make accelerated or any subordinate-lien payments. After the payment of senior-lien debt and required reserves, if pledged revenue remains insufficient to fund subordinate-lien payments, we understand authority officials cannot use subsequent-year pledged revenue to fund accelerated subordinate-lien payments or claims from a previous year. Therefore, we do not believe the subordinate credit agreement weakens the credit standing of the authority's senior-lien bonds.

Furthermore, according to the authority's financial advisor, we understand the authority plans to refund any amounts drawn on the credit line with fixed-rate bonds over the next two years to three years. Assuming roughly $18 million of annual debt service beginning in fiscal 2018, all-in DSC of the authority's senior- and subordinate-lien revenue bonds remains, in our view, a strong 2.3x based on audited net pledged fiscal 2013 revenue.

Room taxes typically generate about 80% of gross pledged revenue while facility revenue and other charges account for the balance. Due to escalating annual debt service costs and despite improving revenue, DSC on the authority's senior-lien bonds, by net pledged revenue, has slightly weakened over the past few fiscal years; in our opinion, DSC was a still-very-strong 3.3x in audited fiscal 2013, down from 5x in fiscal 2009. DSC has historically been more than 3x over the past five audited fiscal years despite a notable 30% decrease in room tax revenue between fiscal years 2008 and 2010 due to the broader national recession.

Since fiscal 2010, however, room taxes increased by an annual average of nearly 10% to $203 million in fiscal 2013, the third highest level ever recorded; such taxes are estimated at $213 million in fiscal 2014. Officials have budgeted for room taxes to increase by 4% to $221.6 million in fiscal 2015. The hotel tax generates most gross pledged revenue while facilities revenue from convention activity accounts for $45 million, which has generally remained consistent over the past three audited fiscal years.

In general, facilities revenue approximately equals O&M costs. The facilities create convention; tourism; and business activity, which generate room taxes. To offset reduced revenue sustained during the recession, the authority froze hiring, deferred capital spending, and reduced spending by a combined $157 million. More recently, however, the authority has developed a nine-point restoration plan to invest additional revenue generated since the recession. Management attributes approximately 57% of expenditures to marketing and advertising since the authority is, in essence, a branding company for the city and county.

The facilities consist mainly of the 3.2-million-square-foot convention center and the 10,000-seat outdoor sports stadium known as Cashman Center. Leasing exhibit halls in the convention center, which is one of the nation's largest, generates most facilities revenue. We understand that the convention center hosted 64 events (conventions, events, and meetings) in fiscal 2013, down from 90 in fiscal 2009, and that the Cashman Center hosted 189, up from 140 in fiscal 2009. The fiscal 2015 budget assumes little change in the number of events at the convention center, but it includes a small increase to 200 events at the Cashman Center. We recognize the Las Vegas area is typically the leader in tradeshow destination rankings; the area hosted 5.1 million delegates and nearly 40 million total visitors in 2013, slightly lower than the highest levels recorded in 2012.

As of Dec. 31, 2013, room inventory totaled 162,662, including roughly 15,000 in Laughlin, Mesquite, and Primm. The MGM Grand is the largest hotel with nearly 5,000 rooms, or 3.1% of total rooms. The Luxor is the second largest hotel with 4,400 rooms, or 2.7% of total rooms, followed by Mandalay Bay, the Venetian, the Aria, and Excalibur hotels. The 10 leading hotels account for 40,730 rooms, or 25% of the region's total inventory. MGM owns seven of the 10 leading room taxpayers with 29,385 rooms, or 18% of total inventory. The occupancy rate has gradually improved and stabilized: It averaged 84.3% in 2013, up from 80.4% in 2010. These figures, however, were still well above the national average of roughly 62% in 2013.

After consecutive decreases through fiscal 2009, tourism has gradually rebounded and stabilized over the past few years. Visitor volume reached its highest level ever recorded at 39.7 million in 2012 before it slightly decreased in 2013; authority officials are projecting volume to reach 40 million in 2014 and 40.2 million in 2015. Most importantly, however, average daily room rates, which the tax is based on, increased to more than $110 in 2013; this, however, was still below peak room rates of $132 in 2007 but well above the $93 recorded in 2009. Gaming revenue is also slowly recovering, but it accounts for just a minimal portion of pledged revenue. In addition, we note the authority expects roughly 2,000 rooms will be added through 2015 and an additional 3,687 rooms will be added in 2016.

The county and cities in the county collect and transfer room taxes to the authority monthly. Although the total room tax varies in the county (10%-13% of the cost of a room), the authority receives only a portion of the total tax collected; it generally receives 5% for resort hotels and 4% for other hotels. Room tax revenue decreased by 20% in fiscal 2009 and 13% in fiscal 2010 before it increased in each subsequent fiscal year to $203 million in fiscal 2013, or a 32% three-year increase. The authority's revised budget includes nearly 5% room tax growth in fiscal 2014, and the fiscal 2015 budget includes an additional 4% increase to $221.6 million.

Although officials used reserves to mitigate the effect of the recent recession, the authority has a history of maintaining, what we consider, strong general fund balances. The general fund reserve totaled $21.3 million, or 8% of expenditures and transfers out, in fiscal 2013. The authority's five-year capital plan totals a manageable $36 million through fiscal 2019, most of which it expects to fund from accumulated capital reserves and general fund transfers. In addition, the authority is in the initial planning stages of a 10-year, $2.3 billion global business district that includes expansive facility and community renovations. Authority officials believe the plan's execution will allow the convention center and the broader Las Vegas region to maintain its competitive advantages over other destinations in North America.

The authority could issue additional senior-lien bonds under a 1.5x historical net revenue additional bonds test. We understand near-term additional debt plans include $168.5 million of new bonds and refunding senior-lien parity bonds over the next two years.

Outlook

The stable outlook reflects Standard & Poor's opinion that with continued economic recovery and improved tourism, DSC will, at least, likely remain at levels Standard & Poor's considers strong. The outlook also reflects our view that the Las Vegas area remains a leading destination for U.S.-based and international leisure and business travel, as well as the area's continuing, albeit scaled back, trend of developing casino resorts and hotels. Although not expected to occur over the two-year outlook period, we could lower the rating if the area were to experience a second significant economic downturn, causing pledged revenue and corresponding DSC to decrease materially. Due to the authority's reliance on a more-cyclical and volatile revenue stream, however, we do not expect to raise the rating over the outlook's two-year period.

Related Criteria And Research

Related Criteria

- USPF Criteria: Special Tax Bonds, June 13, 2007
- USPF Criteria: Contingent Liquidity Risks, March 5, 2012

Related Research

Alternative Financing: Disclosure Is Critical To Credit Analysis In Public Finance, Feb. 18, 2014

Ratings Detail (As Of November 14, 2014)		
Las Vegas Convention & Visitors Auth hotel tax (wrap of insured) (AMBAC & AGM) (SEC MKT)		
Unenhanced Rating	A+(SPUR)/Stable	Affirmed
Las Vegas Convention & Visitors Auth misc tax (AGM)		
Unenhanced Rating	A+(SPUR)/Stable	Affirmed
Many issues are enhanced by bond insurance.		

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New Issue: Moody's assigns Aa1 to Clark County (NV) GOLT bonds; outlook stable

Global Credit Research - 23 Feb 2015

$3.1 billion of debt affected

CLARK (COUNTY OF) NV
Cities (including Towns, Villages and Townships)
NV

Moody's Rating

ISSUE		RATING
General Obligation (Limited Tax) Las Vegas Convention And Visitors Authority Refunding Bonds (Additionally Secured With Pledged Revenues) Series 2015A		Aa1
Sale Amount	$182,380,000	
Expected Sale Date	03/04/15	
Rating Description	General Obligation Limited Tax	

Moody's Outlook

NEW YORK, February 23, 2015 --Moody's Investors Service has assigned a Aa1 rating to Clark County, Nevada's General Obligation (Limited Tax) Las Vegas Convention and Visitors Authority Refunding Bonds (Additionally Secured with Pledged Revenues) , Series 2015A in the estimated amount of $182.4 million. At this time, Moody's affirms the Aa1 rating on $2.7 billion of the county's rated outstanding debt secured by its GOLT pledge as well the Aa2 rating on the county's lease revenue bonds outstanding in the amount of $182.6 million. The rating outlook remains stable.

SUMMARY RATING RATIONALE

The Aa1 GOLT rating reflects the county's very large tax base and economy in recovery, although exposure to cyclical tourism and gaming remains. Overall satisfactory financial performance with healthy reserves and liquidity despite recent trend of operating deficits that are moderating after the recent recession. The rating also incorporates a manageable debt burden that features a substantial portion of self-supporting debt, along with elevated pension liabilities.

The Aa2 lease revenue bond rating reflects the county's strong overall credit characteristics, the essentiality of the leased asset, and a very low lease burden.

OUTLOOK

The stable outlook reflects that the county's tax base and economy will continue to improve amid a moderately paced economic recovery. We also anticipate that the county's financial position will continue to benefit from a strong management team and conservative budgeting practices.

WHAT COULD MAKE THE RATING GO UP

- Significant diversification of economy away from reliance on gaming and tourism

- Appreciation in socioeconomic measures

- Protracted and sustainable growth in available reserves and liquidity

WHAT COULD MAKE THE RATING GO DOWN

- Deterioration of the county's financial position to levels inconsistent with similarly-rated peers

- Double-barreled GOLT debt no longer self-supported by additionally pledged revenues, resulting in support for debt service that pressures the county's operating performance

STRENGTHS

- Large service area and tax base including City of Las Vegas (Aa2 GOLT stable)

- Tourism metrics continue to show modest rates of improvement, including record visitor counts in 2014

- Still sizable available reserves and liquidity supported by conservative management

- Most GOLT debt is fully supported by additionally pledged revenues

CHALLENGES

- Economy reliant on gaming as well as related hospitality and entertainment sectors

- Operating deficits since the nationwide downturn driven by cyclical revenue volatility despite expenditure reductions

- Ongoing, though manageable, support to University Medical Center from operating funds

RECENT DEVELOPMENTS

The county's financial position remains satisfactory and align with medians for similarly-rated counties nationally as well as those of large counties with greater than one million residents. Available reserves totaled 27.8% of operating revenues ($530.1 million) as of FY2014 audited data. Importantly, reserves grew slightly, by $8.9 million, in FY2014 due to a large transfer of $79.9 million to the county's capital projects fund from the general fund; absent this transfer, operating funds would have realized a pro forma surplus of $22.7 million. Financial performance was supported by 6.7% annual growth in state-shared consolidated taxes (CTax) (24.8% of operating revenues) and stability in property taxes (27.7%) as the tax base transitioned to recovery. Growth in operating expenditures was driven by the increase in transfers, which included a $25.5 million short-term loan to University Medical Center (UMC) (paid via the capital fund) to cover near-term costs with implementation of the Affordable Care Act.

Economic activity is supported by large visitor counts that reached an all-time high of 41.1 million as of 2014, and a small increase to 41.6 million visitors is projected in 2015. International travelers provide a growing share of visitors, partly supported by a recent expansion at McCarran International Airport and global economic trends. Economic recovery will remain healthy with support from unparalleled gaming and entertainment amenities, slow population growth, and relative affordability given no personal state income tax.

The full market value of the county's tax base grew 13.9% for FY2015 to a still very large $179.7 billion, despite being only 56% of its pre-recession peak. Further, Moody's Analytics estimates that 28% of homeowners had mortgage debt that outweighs property values in 2014. These underwater borrowers may provide some near-term headwinds to the housing market, along with higher property prices that may also slow the market. Nevertheless, the level of foreclosures and distressed homeowners continues to decline.

DETAILED RATING RATIONALE

LARGE ECONOMY AND TAX BASE IMPROVING WITH RECOVERY TAKING HOLD

Clark County is a regional center that serves a large portion of southern Nevada, including the City of Las Vegas (Aa2 stable) and the greater metro area. The local economy is dependent upon gaming and tourism sectors that include the world-renowned Las Vegas Strip. Importantly, the Las Vegas Convention and Visitors Authority (LVCVA) (A1 stable special tax) remains the market leader in the U.S. for large-scale conventions and trade shows which supports visitor counts. The local economy is also seeing some gains in high-tech and healthcare sectors, which provides some modest diversity from traditional industries.

The county's unemployment rate remained elevated at 7.1% as of November 2014 compared to the nationwide rate, but nevertheless is improving amid a growing labor force but hiring in hospitality sectors slowed in late 2014. Historically, approximately one in three jobs in the metro area are in leisure and hospitality sectors, leaving employment levels highly cyclical relative to consumer demand. Median family income was 96.6% of U.S. levels as of the 2012 American Community Survey, which is modest for the Aa1 rating level but similar to some large, urban areas nationally.

The county's property values are benefitting from economic recovery but remain well below pre-recession highs during the prior housing boom. We note there is a lag between market activity and tax base values, so we anticipate continued increases in tax base values for at least the next one to two years. Additionally, the county's tax base is moderately concentrated with the ten largest taxpayers comprising 16.2% of assessed value as of FY2015, which primarily includes large resorts on the Las Vegas Strip.

SATISFACTORY FINANCIAL POSITION FOLLOWING DEEP RECESSION

The county anticipates a smaller operating deficit for FY2015 following mid-year augmentations to the budget. However, CTax collections were budgeted flat to the prior year which provides financial upside since economic conditions are improving both locally and statewide. Budget savings include the typical $20 million annually from assuming full staff headcount despite vacancies, and a $12 million reduction in OPEB contributions as lease payments from LVMPD are now directed to the OPEB internal service fund. The county's deficit is expected to narrow in FY2015 despite the general fund writing-off $20 million from last year's loan to UMC, additional costs of approximately $32 million to support police as LVMPD drew its own reserves since the recession and detention services are pressured by longer criminal stays with slower sentencing. For the general fund alone, there was a deficit of $39 million in FY2014 which should narrow to less than $30 million this year.

The county's operating funds include the general, debt service, and Las Vegas Metropolitan Police funds. Available reserves and liquidity also include the large and unrestricted balance in the capital projects fund that is driven by a buildup of longtime transfers from the general fund.

The county's subsidy to UMC will remain elevated through FY2016, but will remain a manageable drag on operating funds equivalent to less than 4% of operating revenues. The hospital's annual subsidy stabilized around $41 million prior to the Affordable Care Act which is equivalent to only about 2% based upon the county's FY2014 operating revenues. Cost pressures historically were driven by uncompensated care for indigent persons and contributions from the county's general fund for upper payment limit funds necessary to secure larger-scale federal Medicaid funds. However, the Affordable Care Act led to a rapid increase in the insured service population that pressured UMC operations especially as some federal healthcare payments were delayed by a backlog but will be received in late FY2015. As such, UMC's subsidy swelled to $71 million for FY2015 and the $20 million remainder for the short-term loan from FY2014 will be written-off. For FY2016, the subsidy is projected to decline to the $60 million range as recent budget cuts to services and staff take hold and federal funding normalizes while uncompensated care should continue to decline with a greater insured population. Officials anticipate that the subsidy should revert toward its prior level of $41 million in FY2017 with additional savings from ongoing cuts to UMC's staff and service levels.

Also of note, officials note that the recent bankruptcy filing by Caesar's Entertainment and its affiliates is not expected to affect tax collections since the bankruptcy court issued an order allowing the continuation of tax payments in the regular course of its business.

Liquidity

Available net liquidity remained sound at 32% of operating revenues as of FY2014, which is also supported by unrestricted cash in the county's capital projects fund. Liquidity remains in-line with nationwide medians for similarly rated peers and many other large counties nationally.

MANAGEABLE DEBT AND PENSION LIABILITIES

Clark County's direct debt burden is above national medians for similarly-rated peers and many other large counties, but is mitigated by the vast majority of GOLT obligations being paid fully from additionally pledged revenues outside the county's operating funds. The county's gross direct debt burden represents 1.7% of full value of the tax base and 1.6 times operating revenues from FY2014. However, GOLT bonds supported by flood control component unit revenues are considered self-supported by this essential utility's tax revenues which leads to a net direct debt burden of over 1.5% of full value and just below 1.4 times operating revenues.

The combined property tax rates in the county were nearly $3.28 per $100 of assessed value as of 2014, using Las Vegas as a proxy, which leaves a sizable margin of nearly $0.36 under statutory caps for overlapping tax rates. Overlapping rates include levies for operations and debt service and combined rates remained about stable in recent years, despite the recession, as local governments did not increase levies and voters rejected additional levies. Importantly, levies for non-debt purposes would be reduced first for overlapping rates to comply with the statutory limit of $3.64 in a compression situation.

Debt Structure

The county's direct debt amortizes somewhat slowly at approximately 41.6% of principal within ten years, although all debt amortizes fully by 2044. We note that double-barreled GOLT bonds have the longest payout. GOLT debt supported by other entities includes: $1.2 billion of bonds outstanding that were issued on behalf of the Southern Nevada Water Authority (SNWA), $544.3 million for the county's flood control component unit, and $395 million for LVCVA (including the current offering). The county provides its GOLT backstop, pursuant to statutes, to component units or overlapping entities. Debt service for these obligations are fully supported by the additionally pledged resources of those entities following a demonstration of affordability overseen by the Clark County Debt Management Commission.

Debt-Related Derivatives

The county has no exposure to debt-related derivatives.

Pensions and OPEB

Clark County's pensions are provided through the Nevada Public Employee Retirement System (PERS), a cost sharing, multiple-employer defined benefit plan. The county's Moody's adjusted net pension liability (ANPL) was elevated at an average of 3.2% of full value and 3.0 times operating revenues for FY2011-13. The county annually pays 100% of the actuarially required contribution owed to PERS. Moody's ANPL reflects certain adjustments we make to improve comparability of reported pension liabilities, including netting pension contributions from self-supporting essential utilities. The adjustments are not intended to replace reported liability information, but to improve comparability with other rated entities.

The county also provides other post-employment benefits (OPEB) of health insurance coverage to eligible retirees from various employee groups through several programs. The unfunded accrued liabilities across the OPEB plans declined to $976 million county-wide as of 2013 and generally have been funded on a pay-go basis each year, and a portion of police-related liabilities are funded by the City of Las Vegas. The county's OPEB reserve fund with a net position of $288.2 million as of FY2014, though subsequent to FY2014 a large portion of the reserve was used to purchase the LVMPD headquarters for $208.4 million. However, lease payments from LVMPD of approximately $13.1 million annually will continue, and the county will use these funds as well as other OPEB reserves to fund a new OPEB trust that was created last year.

The county has approximately $183 million in lease revenue bonds that were issued in 2008 for its detention center. The peak lease burden is very low, averaging 0.6% for the next five years based upon operating revenues from FY2014. Lease payments are subject to annual appropriation but the essential nature of the leased asset and the manageable lease burden suggest the risk of non-appropriation is remote. Similar to the LVMPD headquarters building acquisition, the county will have an option to purchase the detention center.

STRONG MANAGEMENT DEMONSTRATES CONSERVATIVE FINANCIAL PRACTICES

The county's management team is strong and operating performance benefits from conservative stewardship. Management also strategically reduced available reserves since the recent recession and annual deficits are declining. Importantly, the budget always assumes a full draw on the large balance in the capital projects despite only a limited pipeline of projects, and the sizable balance remains a significant component of available reserves and liquidity. Additionally, significant annual savings are generated from budgeting full staff headcount despite vacancies. The county also budgets conservatively for economically sensitive CTax and does not rely on uncertain economic growth to fund operations. The county demonstrated willingness to adopt sizable operating adjustments in the recent recession, including cuts to staff and compensation, reducing capital investments given a slowdown in growth.

Nevada counties have an institutional framework score of 'Aa' or strong. Revenues are driven by state-shared excise taxes governed by a legislative formula, and property taxes may be adjusted by management subject to statutory overlapping tax rate limits. Expenditures are predictable and management has the ability to make significant spending adjustments.

KEY STATISTICS

- Full value of tax base, 2015: $179.7 billion

- Full value per capita: $86,827

- Median family income, 2012 American Community Survey: 96.6% of U.S.

- Available operating reserves, FY2014: 27.8% of revenues

- 5-year change in available operating reserves, FY2009-14: -7.4%

- Available net cash, FY2014: 32% of operating revenues

- 5-year change in available net cash, FY2009-14: -5.1%

- Institutional framework: Aa

- 5-year average of operating revenues to expenditures, FY2010-14: 0.98 times

- Net direct debt to full value: 1.5%

- Net direct debt to operating revenues: 1.4 times

- 3-year average of Moody's ANPL to full value, FY2011-13: 3.2%

- 3-year average of Moody's ANPL to operating revenues, FY2011-13: 3.0 times

OBLIGOR PROFILE

Clark County is located in southern Nevada (Aa2 stable) and includes the Las Vegas metro area. The county is the economic center of the state and its nearly 2.1 million residents represent approximately three-quarters of the state's population.

LEGAL SECURITY

The current offering is secured by the county's full faith and credit pledge, subject to Nevada's constitutional and statutory limitations on overlapping levy rates for ad valorem taxes. The bonds are additionally secured by net revenues of LVCVA, which are the primary source of repayment.

USE OF PROCEEDS

Proceeds will refinance several outstanding obligations, including: (a) a portion of LVCVA's outstanding Subordinate Revenue Bonds, Series 2014A; (b) certain maturities of LVCVA's Revenue Refunding Bonds, Series 2005; and (c) certain maturities of Clark County's General Obligation (Limited Tax) Las Vegas Convention and Visitors Authority Refunding Bonds (Additionally Secured with Pledged Revenues), Series 2007.

RATING METHODOLOGIES

The principal methodology used in the general obligation rating was US Local Government General Obligation Debt published in January 2014. The principal methodology used in the lease-backed rating was The Fundamentals of Credit Analysis for Lease-Backed Municipal Obligations published in December 2011. Please see the Credit Policy page on www.moodys.com for copies of these methodologies.

REGULATORY DISCLOSURES

For ratings issued on a program, series or category/class of debt, this announcement provides certain regulatory disclosures in relation to each rating of a subsequently issued bond or note of the same series or category/class of debt or pursuant to a program for which the ratings are derived exclusively from existing ratings in accordance with Moody's rating practices. For ratings issued on a support provider, this announcement provides certain regulatory disclosures in relation to the rating action on the support provider and in relation to each particular rating action for securities that derive their credit ratings from the support provider's credit rating. For provisional ratings, this announcement provides certain regulatory disclosures in relation to the provisional rating assigned, and in relation to a definitive rating that may be assigned subsequent to the final issuance of the debt, in each case where the transaction structure and terms have not changed prior to the assignment of the definitive rating in a manner that would have affected the rating. For further information please see the ratings tab on the issuer/entity page for the respective issuer on www.moodys.com.

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STANDARD & POOR'S RATINGS SERVICES
McGRAW HILL FINANCIAL

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Summary:

Clark County, Nevada; Appropriations; General Obligation

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Summary:

Clark County, Nevada; Appropriations; General Obligation

Credit Profile		
US$182.425 mil ltd tax GO bnds (Las Vegas Convention & Visitors Auth) ser 2015A due 07/01/2041		
Long Term Rating	AA/Stable	New
Clark Cnty GO		
Long Term Rating	AA/Stable	Affirmed

Rationale

Standard & Poor's Ratings Services assigned its 'AA' long-term rating and stable outlook to Clark County, Nev.'s series 2015A limited-tax general obligation (GO) refunding bonds, issued for Las Vegas Convention & Visitors Authority.

At the same time, Standard & Poor's affirmed its 'AA' long-term rating and underlying rating (SPUR), with a stable outlook, on the county's existing GO debt, issued either by Clark County or on its behalf.

Standard & Poor's also affirmed its 'AA-' long-term rating, with a stable outlook, on Pima County Industrial Development Authority, Ariz.'s lease revenue debt, supported by the county.

The series 2015A bonds are a GO of the county, ultimately secured by its full-faith-and-credit-property-tax pledge, subject to a statutory limit on overlapping debt of $3.64 per $100 of assessed value (AV). Officials plan to use 2015A bond proceeds to refund a portion of the county's series 2007 refunding bonds and the authority's series 2005 bonds for cost savings. Before the refunding, only pledged revenue that did not include the county's full-faith-and-credit-property-tax pledge secured the authority's series 2005 bonds. Officials also plan to use between $110 million and $120 million of bond proceeds to repay a portion of a $187 million advance drawn on a $275 million nonrevolving credit facility the authority entered into to fund property acquisition and capital projects that are part of a long-range plan for the Las Vegas Global Business District. We understand that authority officials have not yet finalized plans to draw on the estimated $88 million remaining under the credit facility and that they do not currently plan to issue additional parity bonds in 2015.

Pledged revenue provides additional security to the series 2015A bonds. Pledged revenue includes proceeds from hotel room taxes levied in Clark County and cities within the county, including Las Vegas, and net operating revenue from various authority facilities, including Las Vegas Convention Center, Cashman Center, and other recreational facilities under the authority's jurisdiction. The county and cities within the county deduct a collection cost charge, capped at 10% of collections, from hotel room taxes. The proposed bonds have a lien on pledged revenue, and they are on parity with $600 million of GO- and revenue-secured obligations outstanding and senior to amounts drawn on the $275 million credit facility. Maximum annual debt service coverage (DSC) for senior revenue- and GO-secured bonds, including DSC on the proposed 2015A bonds, is, in our opinion, strong. Maximum annual DSC was 3.3x in fiscal 2014, and it is 3.17x for fiscal 2015 based on budgeted pledged revenue. Annual DSC is, in our view, strong, fluctuating between 3.3x and 4.7x over the past five audited fiscal years. Even though pledged revenue has improved with the stabilization of Las Vegas' economic and tourism indicators, annual debt service costs have increased, partially nullifying corresponding revenue increases. After decreasing by 30% between fiscal years 2008 and 2010 to $154 million, room taxes have increased in each subsequent fiscal year to $223 million in fiscal 2014. Authority officials estimate room taxes will increase by an additional 3% to $229.6 million in fiscal 2015.

The rating on the lease revenue bonds reflects our opinion of the county's agreement to budget and appropriate lease payments throughout the lease term, coupled with the annual appropriation risk inherent in the financing structure.

The GO debt rating further reflects our opinion of the county's:

- Adequate, sizable, and steadily recovering regional economy with AV growth and steadily decreasing unemployment;
- Very strong management with "strong" financial management policies and procedures under our Financial Management Assessment (FMA) methodology, which have remained in place despite economic volatility;
- Very strong budgetary flexibility with fiscal 2014 audited available general fund reserves at 16% of operating expenditures and transfers out;
- Adequate budgetary performance despite a reliance on somewhat cyclical revenue;
- Very strong liquidity, providing very strong cash to cover debt service and expenditures;
- Adequate debt and contingent liability profile since a significant portion of county debt is self-supporting or additionally secured by sales or consolidated taxes; and
- Strong Institutional Framework.

Adequate economy

We consider Clark County's steadily improving economy adequate. The county's population has been relatively stable; it grew slowly over the past few years to an estimated 2.03 million in 2013. In addition, several economic indicators critical to the county's economy -- including room rates, visitor volume, passenger counts, gaming revenue, and foreclosures -- continue to improve. The county is in the Las Vegas-Henderson-Paradise metropolitan statistical area, which we consider broad and diverse; we, however, note employment concentration in the leisure and hospitality sector somewhat offsets this factor. Unemployment has steadily decreased, but it remains above average; after peaking at 14.1% in 2010, unemployment decreased to 10% in 2013 and 6.9% in December 2014. Projected per capita effective buying income is 90% of the national average.

After decreasing by half between fiscal years 2009 and 2013, AV continues to rebound, supported by notable foreclosure decreases, home price stabilization, and broad economic improvement. AV increased by 1.9% in fiscal 2014, and AV has grown by a more-significant 13.9% to $62.9 billion in fiscal 2015; officials expect additional AV growth for fiscal 2016, albeit at a slightly lower rate than fiscal 2015. The $180 billion estimated fiscal 2015 full market value translates to, in our view, a strong $88,461 per capita. The property tax base is diverse with the 10 leading taxpayers accounting for 16.2% of AV. Caesars Entertainment Corp. -- the county's third leading taxpayer, accounting for 2.5% of AV on its own -- filed a bankruptcy petition on Jan. 15, 2015. According to county and authority officials, while the effect of the bankruptcy filing on property and room taxes is currently unclear, they are closely monitoring the situation. To date, the bankruptcy filing has not had an effect on the county's property tax base or overall finances.

Very strong management

We view the county's management conditions as very strong with "strong" financial management policies and procedures under our FMA methodology, which have remained in place despite recent economic and financial challenges. An FMA of "strong" indicates practices are strong, well embedded, and likely sustainable. The county's board of commissioners has adopted thorough policies that govern reserve maintenance, expenditure growth, cash and investment practices, and debt and derivative use. While management intends to maintain reserves at no less than 8% of expenditures, as mandated by its policy, it prefers to keep reserves in excess of the 10% target it has adhered to historically. Although available reserves have fluctuated, we believe officials have generally succeeded in mitigating the financial effects of the somewhat more-volatile revenue on the county, subject to volatility during periods of economic weakness.

Very strong budget flexibility

In our opinion, budgetary flexibility is very strong with available, assigned, and unassigned general fund reserves exceeding 15% of expenditures and recurring transfers out for the past three audited fiscal years through fiscal 2014. Consistent with, what we regard as, the county's conservative budget practices, the amended fiscal 2015 budget shows available general fund reserves decreasing to an estimated $187 million, or 11.6% of budgeted expenditures and transfers out. Similar to previous years, however, officials expect to realize positive revenue and expenditure variances; with the availability of reserves outside the general fund, we believe overall budget flexibility will likely remain very strong.

Since adopting Governmental Accounting Standards Board (GASB) Statement No. 54 reporting requirements, the county continues to budget the general fund separately from various special revenue funds. Audited financial statements show the county closed fiscal 2014 on June 30 with $238 million of available reserves, or, in our view, a very strong 16.4% of operating expenditures and transfers out. Transfers out of the general fund are typically large, including allocations for detention, metropolitan police, and capital projects.

Adequate budgetary performance

In our opinion, despite prolonged revenue decreases, county officials have prudently managed operations and expenditures, contributing to stable financial operations and adequate overall budgetary performance. After accounting for nonrecurring items, including $80 million of general funds transferred into the county capital projects fund, officials reported a 3% general fund surplus and mostly break-even operations across all governmental funds in fiscal 2014.

In accordance with GASB No. 54, the amended fiscal 2015 general fund budget of $1.6 billion, after transfers, indicates operating expenditures and net transfers exceed revenue by $51 million; we, however, recognize $37.5 million of the expected deficit is due to nonrecurring expenses associated with Medicaid expansion under the Affordable Care Act. Excluding nonrecurring items, management budgeted expenditures and net transfers to exceed revenue by just $14.5 million, or roughly 1% of expenditures.

According to the amended fiscal 2015 budget, county officials expect general fund revenue to remain level with actual fiscal 2014 revenue while recurring expenditures increase by 4% over fiscal 2014 expenditures. The fiscal 2015 budget has consolidated taxes budgeted at $309 million, which equals actual fiscal 2014 collections and, in our opinion, a conservative estimate since fiscal 2015 collections have, to date, outpaced fiscal 2014 collections by roughly 6%. In terms of the general fund's exposure to economic cyclicality, property taxes generated 28% of general fund revenue in fiscal 2013, down from 38% in fiscal 2009.

In the past, property tax revenue decreased by, what we view as, more-modest levels compared to decreased AV due to the Abatement Act signed in 2005. Conversely, with AV increases, the Abatement Act limits property tax revenue growth to approximately 3% annually on existing property. Property tax revenue decreased by 7.4% in fiscal 2013 and 1.6% in fiscal 2014. With AV growth, however, the fiscal 2015 budget has property tax revenue increasing by 4.2%. In addition, Clark County has exposure to state-allocated consolidated taxes, including sales, cigarette, liquor, government services, and real estate property transfer taxes. After bottoming out at 26% of general fund revenue in fiscal 2010, consolidated tax revenue has improved: It generated 33% of general fund revenue in fiscal years 2013 and 2014; the fiscal 2015 budget has this revenue stream increasing slightly to 34%.

Very strong liquidity

Supporting the county's finances is liquidity we consider very strong with available cash of 82% of total governmental fund expenditures and more than 100% of fiscal 2014 debt service. We believe the county has exceptional access to external liquidity since it has issued bonds frequently during the past 15 years, including GO, revenue, and sales tax bonds.

Adequate debt and contingent liability profile

Although a significant portion of county debt is self-supporting or additionally secured by sales or consolidated taxes, we consider the county's debt and contingent liability profile adequate with debt service of 7.3% of total governmental fund expenditures and net direct debt of 75% of total governmental fund revenue. We believe the county's debt profile has improved due to recently implemented rate increases and infrastructure surcharges to support debt service on $1.2 billion of bonds issued through the county's bond bank program. We consider GO principal debt amortization average with officials planning to retire an estimated 35% over 10 years, 70% over 20 years, and 100% over 30 years.

We note the county's debt portfolio also includes $24.6 million of fixed-rate, directly placed GO public safety refunding bonds and an aggregate $83.8 million of fixed-rate, directly placed GO refunding bonds, additionally secured by pledged revenue. County officials issued each of the five series of refunding bonds in 2014, and we understand there are no provisions in the bonds' agreements that permit acceleration or payment prioritization to holders of the direct-purchase debt. We understand the county does not have any general-fund-related variable-rate debt. County officials have not formalized any additional debt plans.

Clark County participates in the Nevada Public Employees' Retirement System; it has historically made 100% of the annual required contribution. A total of $328 million of contributions for fiscal 2014 translates to, what we consider, a moderate 14% of governmental expenditures. We, however, note related entities, the expenditures of which are not accounted for as part of the county's governmental expenditures, fund a portion of these contributions. Clark County and its component units provide other postemployment benefits (OPEB) to retirees through five benefit plans, and the county addresses these OPEB costs through pay-as-you-go financing. In fiscal 2014, OPEB-related expenses were $20.3 million, or less than 1% of all governmental expenditures. Actuarial studies for all of the county's OPEB plans show the county has minimally funded its $980 million actuarial accrued liability. We note the unfunded liability is down from more than $1.3 billion since the county has implemented changes to its retiree subsidy structure. In addition, the county established a separate trust fund in fiscal 2014; we understand management funds this trust with reserves previously set aside in internal service funds specifically for OPEB and related expenses.

Strong Institutional Framework

We consider the Institutional Framework score for Nevada counties strong.

Outlook

The stable outlook reflects Standard & Poor's opinion that county officials will likely continue to manage general fund operations, adjusting the budget as needed to maintain strong reserves over the next two fiscal years. If economic measures were to continue to improve steadily, supported by stable and strong-to-very-strong financial measures, and if overall debt ratios were to decrease steadily, we could raise the ratings over the two-year outlook period. Conversely, although many indicators continue to stabilize and improve, if the county were to experience a second significant economic downturn, causing AV and corresponding tax revenue to contract and potentially pressure financial performance and budgetary flexibility, we could lower the ratings.

Related Criteria And Research

Related Criteria

- USPF Criteria: Local Government GO Ratings Methodology And Assumptions, Sept. 12, 2013
- USPF Criteria: Appropriation-Backed Obligations, June 13, 2007

Related Research

- S&P Public Finance Local GO Criteria: How We Adjust Data For Analytic Consistency, Sept. 12, 2013
- Institutional Framework Overview: Nevada Local Governments

Ratings Detail (As Of February 24, 2015)		
Clark Cnty GO bnds (Las Vegas Convention & Visitors Auth) ser 2014 due 07/01/2043		
Long Term Rating	AA/Stable	Affirmed
Clark Cnty GO ltd tax bnds (Taxable Direct Pay Babs Flood Control Bnds) ser 2009B		
Long Term Rating	AA/Stable	Affirmed
Clark Cnty GO rfdg bnds ser 2009A		
Long Term Rating	AA/Stable	Affirmed
Clark Cnty GO Lmtd Tax ser 2008		
Long Term Rating	AA/Stable	Affirmed
Clark Cnty GO (wrap of insured) (AMBAC & BHAC) (SEC MKT)		
Unenhanced Rating	AA(SPUR)/Stable	Affirmed
Clark Cnty GO (Lmtd Tax) Arpt Bnds		
Long Term Rating	AA/A-1+/Stable	Affirmed
Clark Cnty GO (Ltd Tax) bnd bnk rfdg bnds ser 2009		
Long Term Rating	AA/Stable	Affirmed

Ratings Detail (As Of February 24, 2015) (cont.)		
Clark Cnty Lmtd Tax GO bnds (Bond Bank Bonds) ser 2008		
Long Term Rating	AA/Stable	Affirmed
Clark Cnty Local Improv bnds (Dist No. 127, 134, 140, 145)		
Long Term Rating	AA/Stable	Affirmed
Clark Cnty Local Imp bnds (Special Improvement Dist No. 112) ser 2008		
Long Term Rating	AA/Stable	Affirmed
Clark Cnty go		
Unenhanced Rating	AA(SPUR)/Stable	Affirmed
Clark Cnty GO		
Unenhanced Rating	AA(SPUR)/Stable	Affirmed
Clark Cnty District Nos. 135 and 144C, Nevada		
Clark Cnty, Nevada		
Clark Cnty District Nos. 135 and 144C Local Improv bnds (Clark Cnty) ser 2009		
Long Term Rating	AA/Stable	Affirmed
Las Vegas Convention & Visitors Auth, Nevada		
Clark Cnty, Nevada		
Las Vegas Convention & Visitors Auth (Clark Cnty) GO		
Long Term Rating	AA/Stable	Affirmed
Las Vegas Convention & Visitors Auth (Clark Cnty) GO (ltd tax) LV Conv & Vis Auth transp bnds (BABs)		
Long Term Rating	AA/Stable	Affirmed
Pima Cnty Indl Dev Auth, Arizona		
Clark Cnty, Nevada		
Pima Cnty Indl Dev Auth (Clark County) lse rev bnds (Clark Cnty Detention Fac Project) ser 2008		
Long Term Rating	AA-/Stable	Affirmed
Many issues are enhanced by bond insurance.		

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The Potential Economic Impacts of Renovations to the LVCC

October 2015

TOURISM ECONOMICS
AN OXFORD ECONOMICS COMPANY

Introduction

- The Las Vegas Convention and Visitors Authority is considering renovation of the Las Vegas Convention Center.
- In order to assess the potential for additional demand for use of the LVCC, Tourism Economics developed a survey of event organizers.
- The survey was distributed to organizers of events that currently are not held in Las Vegas, but the organizers were identified as willing to consider Las Vegas as the venue.
- The survey was designed to gauge the strength of interest in Las Vegas, as well as what would be required to successfully attract the event to the City.
- Surveys were sent out to a total of 21 event organizers.

The highlights

- Lack of available dates was cited by nearly two-thirds of respondents as the reason Las Vegas is not in the current rotation of sites for their event.
- More than half of respondents indicated that they would be **very likely** to hold their event in the City if spaces and dates were more available.
- These events likely to come to Las Vegas would bring in an estimated 375,000 convention attendees, filling 733,000 rooms, and $500 million in new spending.
- The total impact of these events would reach $813 million and support 7,600 jobs. Over a ten-year period, the estimated 69 new events in Las Vegas would directly add $2.4 billion supporting a total of $4.0 billion in economic activity in Clark County.

The survey

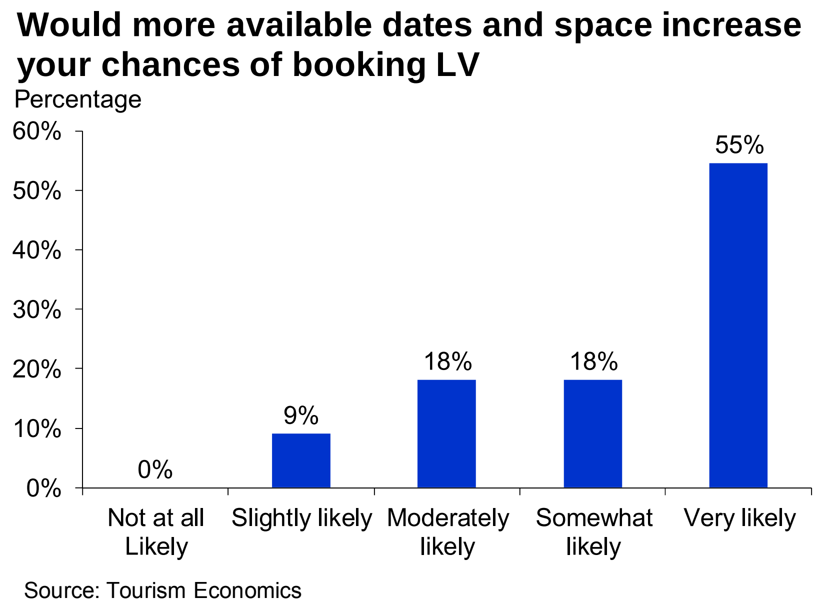
- 17 responses were received of the 21 surveys distributed.
- The events and conferences range in size from 4,500 to 65,000
- The sample represents 423,648 attendees.
- The events covered in the responses have an average attendance of 25,000 and an average length of 4.4 days.

Spending assumptions

- The 2014 Las Vegas Visitor Profile Study was used to develop an attendee spending profile.
- Gaming spending for convention and meeting attendees was provided by LVCVA and based on a per capita spending model.
- Organizer and exhibitor spending estimates were developed based on Tourism Economics research conducted in support of the DMAI Event Impact Calculator along with other LVCVA inputs.
- Impacts of direct spending were estimated using an IMPLAN input-output model for Clark County.

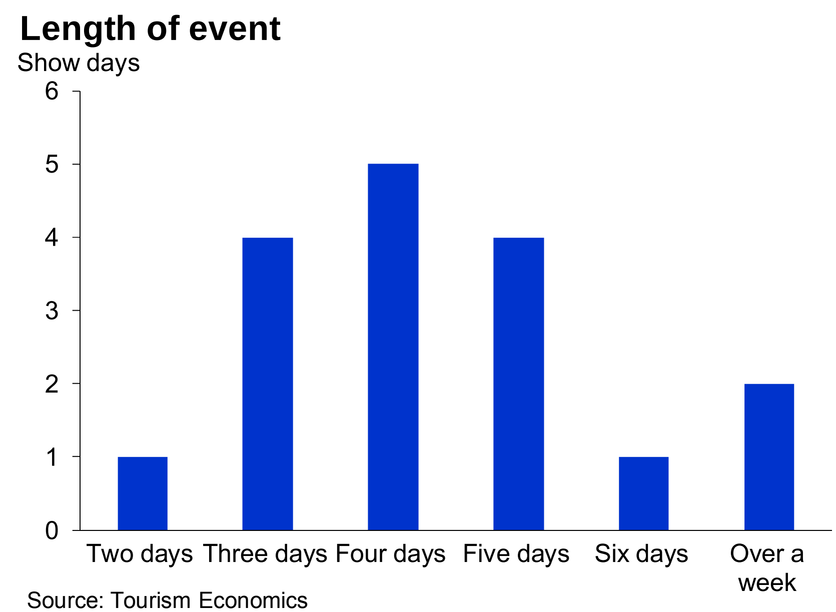
Current consideration of Las Vegas as host

- Organizers of large conferences considering booking the LVCC were contacted to fill out the survey.
- 11 events would be new to Las Vegas and are considering coming to the City.
- Six respondents represent conferences that have been in Las Vegas recently but have concerns about rebooking in the future.



Length of event

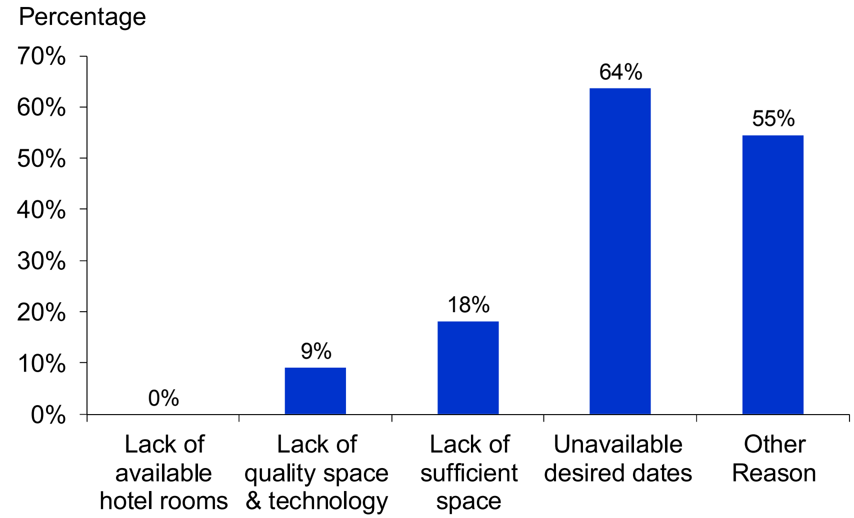
- Most events range in length from three to five days with four days being the mode in the sample.
- Two of the events were over a week long.



Factors preventing conference bookings

- Lack of available dates was the most frequently cited reason preventing respondents from hosting conferences in Las Vegas.
- Other reasons include specific meeting needs (session rooms/stages/hall configuration) and indicate space reasons also prevent some events from coming to Las Vegas.

Factors that prevent conferences from hosting



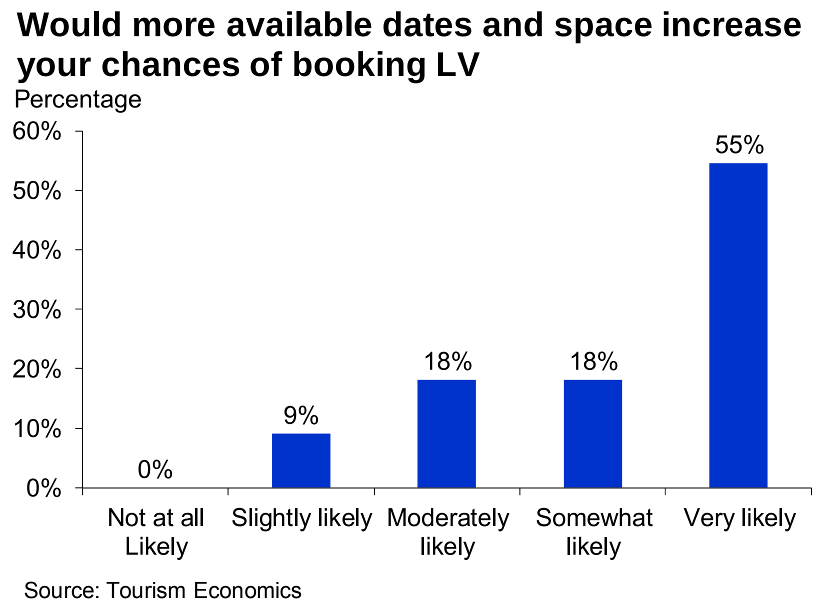
Source: Tourism Economics

Effect of lack of available dates

- 10 respondents indicated lack of available dates being a problem either in the survey or in the comments.
- These 10 conferences represent 139,121 potential attendees and 526,084 potential attendee days.
- On average these conferences would come to Las Vegas once every three years.

Would LVCC renovations lead to new bookings?

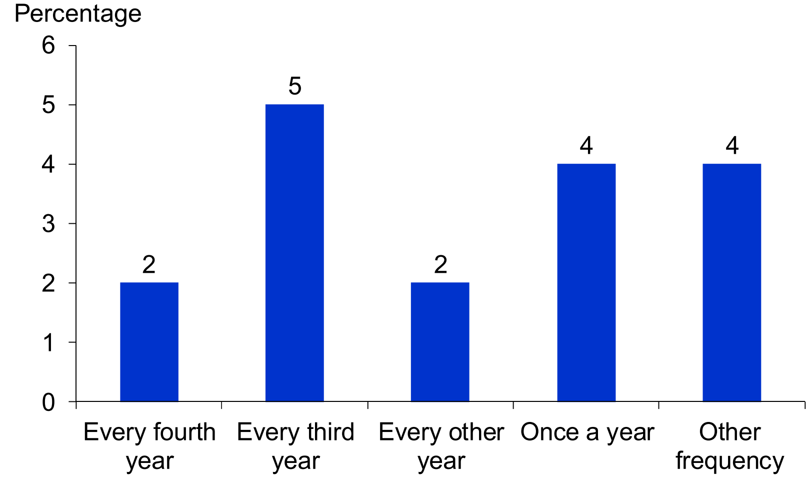
- This question was asked of organizers that have not booked Las Vegas in the last five years.
- More than half of respondents indicated that they would be very likely to book Las Vegas if spaces and dates were available.



Event frequency

- On average, Las Vegas could expect to host an event every 2nd or 3rd year.
- Four events would book Las Vegas once a year.
- Five events would book Las Vegas every third year.

Frequency booking LV Convention Center if improvements are made?

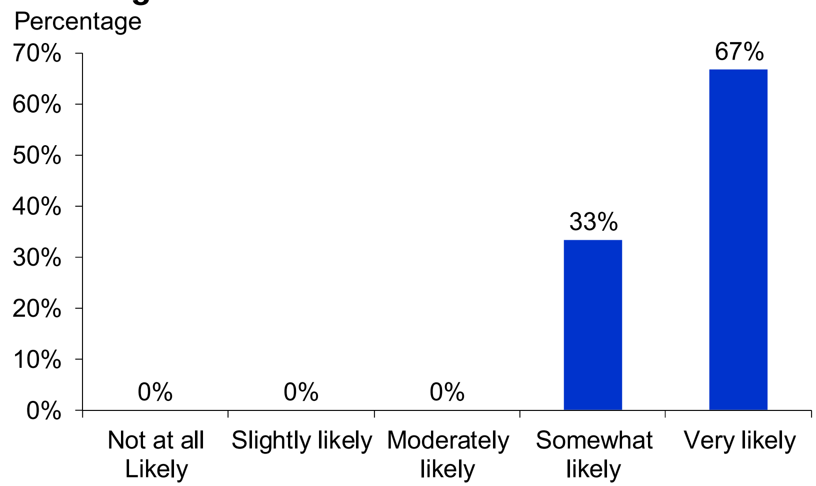


Source: Tourism Economics

Would renovations increase current bookings?

- This question was asked of the six event organizers that have booked the convention center in the last five years
- All of the respondents indicated that they would be somewhat likely or very likely to increase the frequency of Las Vegas bookings

Would more available dates increase frequency of booking LV

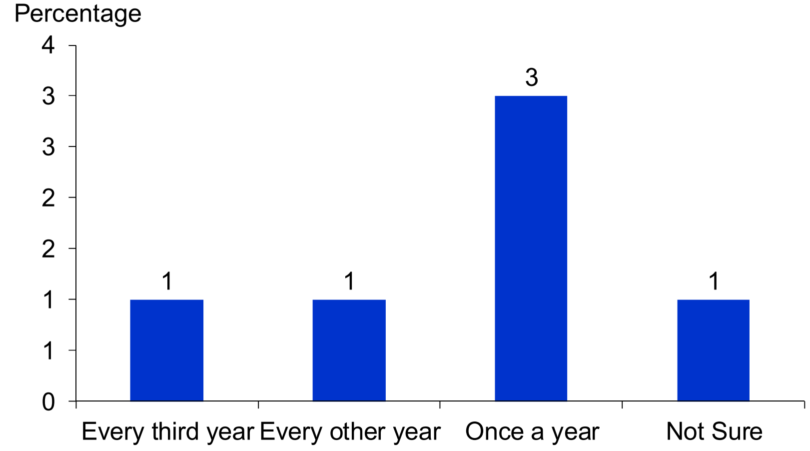


Source: Tourism Economics

Potential of more frequent visitation

- The six organizers would be interested in increasing the frequency of booking Las Vegas if renovations are made.

How frequently would you book LV if improvements are made?

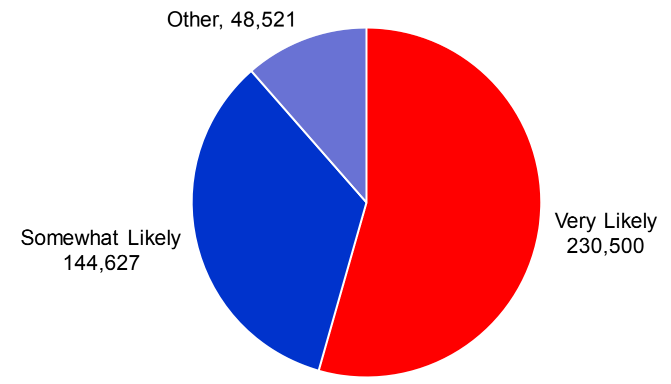


Source: Tourism Economics

Attendance by likelihood

- Organizers that would be very likely to bring their events to Las Vegas represent over 230,000 attendees.
- Events representing another 145,000 attendees would be somewhat likely to book the convention center once additional space became available.

Attendance by likelihood of having meeting in Vegas post-renovation

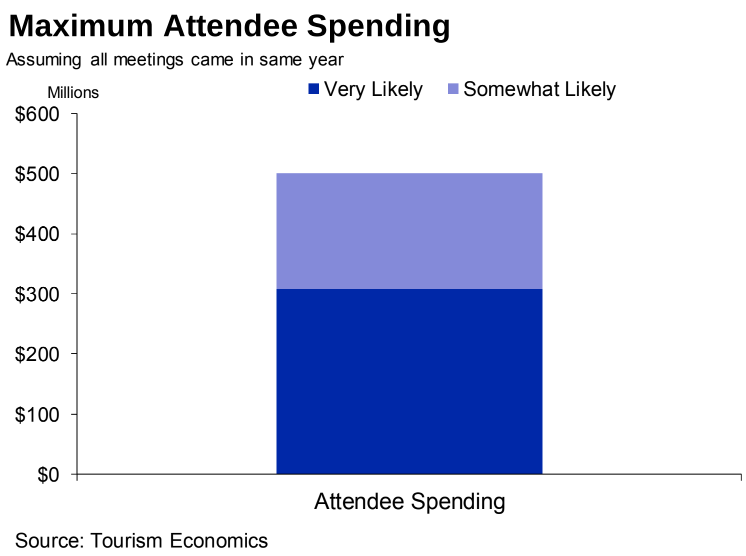


Source: Tourism Economics

Potential direct spending: $500 million

- Events *somewhat* or *very likely* to come to a renovated convention center would bring in $500 million in direct business sales.

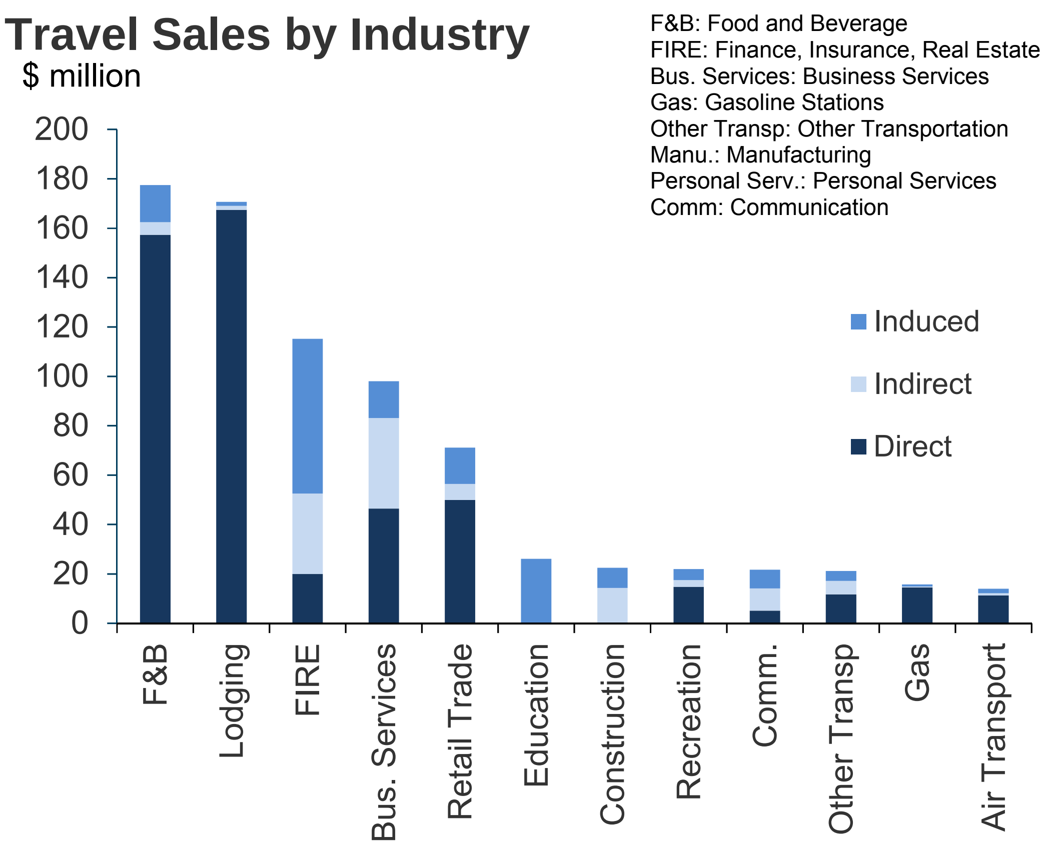
- Of the $500 million, $307 million in direct spending came from events where organizers would be *very likely* to book a renovated convention center.



Overall impact: $813 million

- Total business sales from these events freshly attracted by a renovated convention center would reach $813 million.

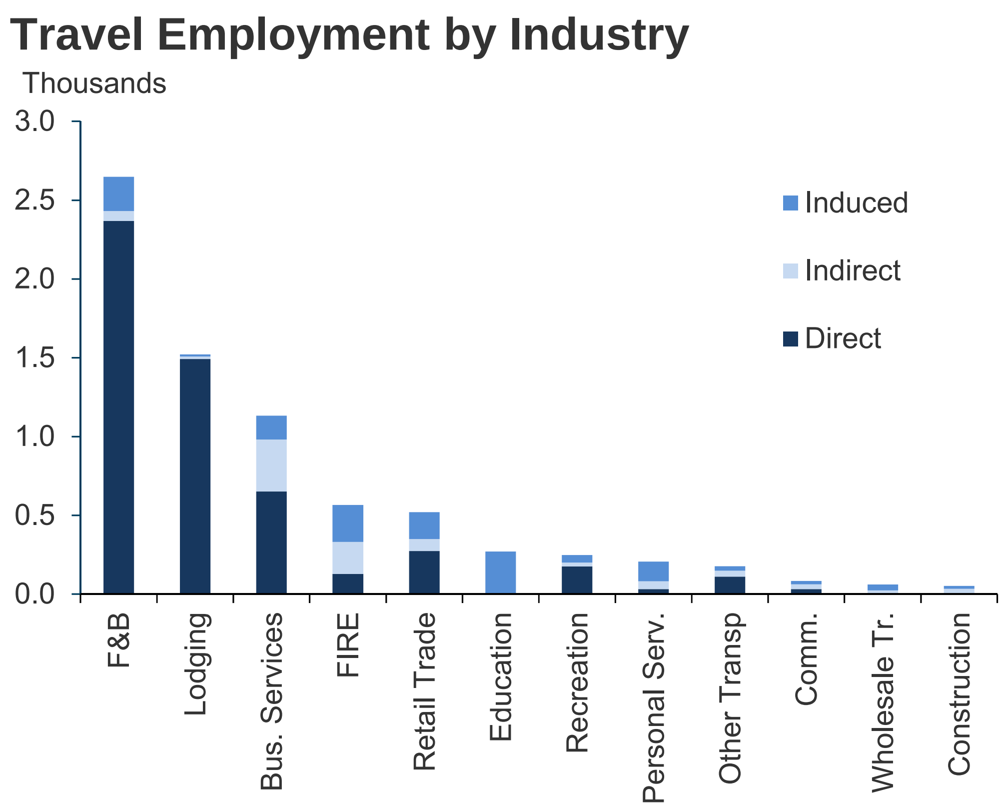
- The impacts would be felt in all industries in Clark County.



TOURISM ECONOMICS

Overall impact: 7,600 jobs

- These new events would directly support over 5,300 jobs.
- The overall business activity created by these new events would support 7,600 jobs and $300 million in labor income.



TOURISM ECONOMICS

Overall impact: $54 million in tax revenue

- $54 million in state and local tax revenues would be created by the economic activity brought to Las Vegas from hosting these events.

Event-Generated Tax Revenues (US$ Million, Year)	Direct	Indirect/ Induced	Total
Federal	46.4	25.9	72.3
Personal Income	15.5	8.5	24.0
Corporate	4.2	4.6	8.9
Indirect business	4.6	2.4	7.0
Social Security	22.0	10.4	32.5
State and Local	35.7	18.6	54.3
Sales	20.1	10.5	30.6
Personal Income	-	-	-
Corporate	0.0	0.0	0.1
Social Security	0.7	0.3	1.0
Excise and Fees	6.0	3.1	9.2
Property	8.8	4.6	13.4
TOTAL	82.1	44.5	126.6

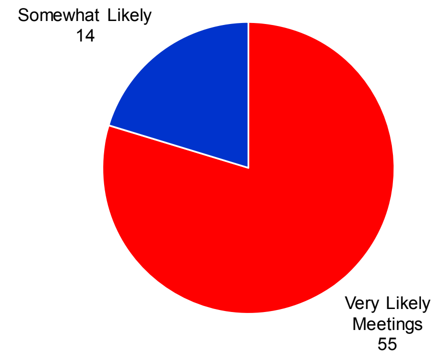
10 year impact

- Based on the frequency of events in the survey, a renovated Las Vegas Convention Center would host 69 new events – 55 very likely - from these organizers over a ten-year period.

- These meetings would bring around $2.4 billion dollars in direct spending from organizers/attendees.

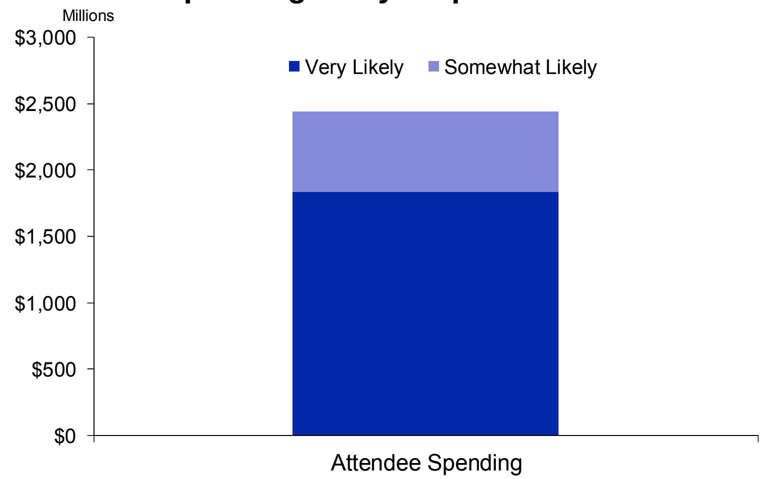
- Total room demand from the attendees would surpass 3.5 million room nights.

Meetings potential - 10 year period



Source: Tourism Economics

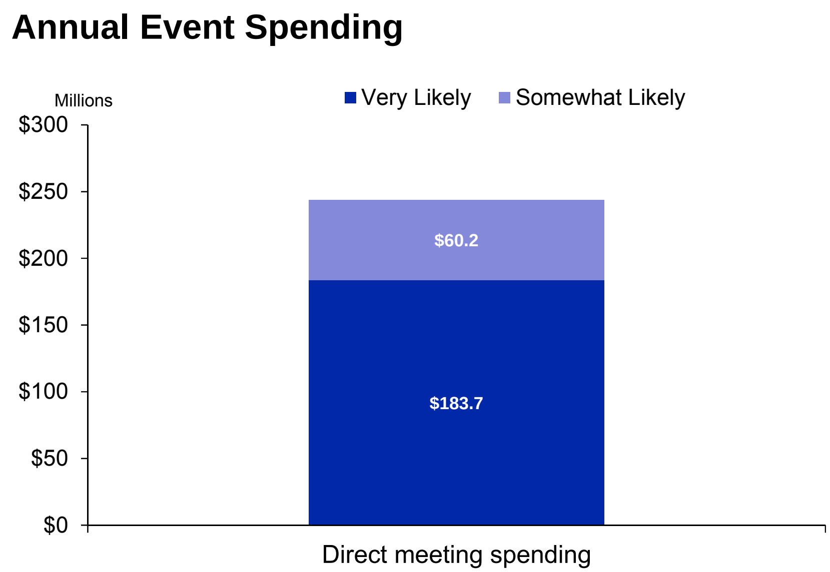
Attendee Spending - 10 year potential



Source: Tourism Economics

Annual impact

- On average, the Las Vegas Convention Center could expect to see 7 bookings a year from these events.
- These meetings would bring around $240 million dollars in direct spending from organizers/attendees with a total impact of $400 million.
- Annual room demand from the attendees would be nearly 358,000 room nights.



Source: Tourism Economics

Annual impact

- These events would directly boost state and local governments tax revenue by $17.4 million.

- Overall, tax revenue to state and local governments would increase $26.5 million annually.

Event-Generated Tax Revenues (US$ Million, estimated annual impact)	Direct	Indirect/ Induced	Total
Federal	22.6	12.6	35.3
Personal Income	7.6	4.1	11.7
Corporate	2.1	2.3	4.3
Indirect business	2.2	1.2	3.4
Social Security	10.7	5.1	15.8
State and Local	17.4	9.1	26.5
Sales	9.8	5.1	14.9
Personal Income	-	-	-
Corporate	0.0	0.0	0.0
Social Security	0.3	0.2	0.5
Excise and Fees	2.9	1.5	4.5
Property	4.3	2.2	6.5
TOTAL	40.0	21.7	61.7

Closing comments – space

- “If more space were available to host every third year, we would be there in a heartbeat… Hands down Vegas would be in our rotation. Build it and we will come!”
- “The LVCC needs more meeting rooms and is in need of a major renovation.”
- “Additional meeting room and exhibit is needed greatly to accommodate very loyal trade shows that would very much like to book the Convention Center.”
- “Unless there is expansion or openings in other halls aside from the South Hall, we may have to look at alternate locations.”

Closing comments – date

- “Current annual Las Vegas shows make it impossible for us to secure dates.”
- “If the space were available at our ideal dates, we would gladly put Vegas in to our regular rotation.”
- “I would like to bring our_________ events to Las Vegas more frequently but have trouble finding dates and availability.”
- “If there is ANY chance Las Vegas could accommodate with the proposed changes please advise immediately as the Board will be selecting these years in December 2015.”

Appendix

TOURISM ECONOMICS
AN OXFORD ECONOMICS COMPANY

Economic opportunity of LVCC expansion

Economic Opportunity			
LV Convention Center Expansion			
	All Events*	10 year cumulative**	Annually***
Events	14	69	7
Attendance	375,127	1,829,935	182,994
Show days	65	296	30
Room Nights	733,704	3,579,138	357,914
Spending (Millions)	$500.0	$2,438.9	$243.9
Impacts:			
Employment	7,602	37,083	3,708
Labor Income (Millions)	$297.9	$1,453.0	$145.3
Business Sales (Millions)	$813.0	$3,966.1	$396.6
State and Local Taxes (Millions)	$126.6	$617.45	$61.7

* Overall: aggregate value of each very and somewhat likely event once

** 10 year cumulative: factors in frequency of event over 10 year period

*** Annual: average annual impact over 10 year period, reflecting event frequencies

Las Vegas Convention and Visitors Authority

MEMORANDUM

Date: February 19, 2016

To: Southern Nevada Tourism Infrastructure Committee

From: Rossi Ralenkotter, President/CEO

Re: Las Vegas Convention and Visitors Authority (LVCVA)

We are pleased to provide the following information in response to a request for information on Cashman.

1) We were asked to provide the last ten years operating results for Cashman. The attached financial report reflects actual revenues and expenditures from FY 2006 through FY 2015. Results reflect campus-wide operations, inclusive of both stadium and facility. R&M and capital are reported on separate line items, in alignment with the request.

2) Additionally, we were asked to provide a forward looking list of capital plans for Cashman. Attached is a detailed ten-year capital outlook listing potential capital programs that will be prioritized and considered for funding each budget cycle. During this forward-looking period, management will consider the necessity to conduct major renovations to the stadium. Should the situation warrant this investment, the estimated budget is up to $83 million. This cost estimate incorporates a significant portion of the capital projects listed in the 10-year outlook.

LAS VEGAS CONVENTION AND VISITORS AUTHORITY
CASHMAN CENTER ANALYSIS - STADIUM & FACILITY

HISTORICAL RESULTS OF OPERATION

	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015
REVENUES										
Facility Use Fees [(1)]	942,515	1,056,780	1,019,114	470,120	609,250	666,629	769,710	775,515	782,870	873,508
Stadium Rental	230,000	240,733	217,697	277,543	291,621	300,742	304,350	321,787	318,023	334,383
Paid Parking & Lot Rental	500,154	544,807	519,952	537,128	488,901	508,991	507,667	546,946	513,072	510,840
Cell Site Leases	131,300	134,887	140,187	68,495	60,281	62,400	64,896	67,492	47,022	41,239
Contractors Services	90,448	79,768	61,750	9,117	32,623	34,158	33,040	27,802	33,012	33,802
Equipment Rentals & Late Fees	57,570	76,796	70,584	46,157	13,651	11,858	14,464	17,531	9,123	9,202
Telephone	14,027	23,673	40,092	4,205	1,603	7,263	5,077	3,822	5,471	12,369
Catering & Concessions Net of Commission [(3)]	146,953	124,392	144,345	281,434	(121,721)	(113,475)	36,267	42,774	55,487	70,768
Reimbursement of Expenditures	2,672	25,233	33,087	15,650	13,172	5,595	17,212	11,547	26,243	21,515
Total Revenues	**2,115,639**	**2,307,069**	**2,246,809**	**1,709,849**	**1,389,381**	**1,484,160**	**1,752,683**	**1,815,215**	**1,790,323**	**1,907,624**
DIRECT EXPENDITURES										
Salaries & Wages	4,290,391	3,239,743	3,343,009	3,102,303	3,287,634	3,148,089	3,305,723	3,249,216	3,422,510	3,451,588
Employee Benefits	1,105,937	1,093,424	1,127,028	1,123,702	1,173,663	1,192,854	1,254,647	1,310,281	1,415,669	1,369,358
Baseball Parking Revenue Share (Team)	71,653	67,118	78,155	72,701	81,705	89,806	85,725	87,650	99,345	85,640
Utilities	637,844	723,694	706,014	746,785	725,891	615,515	580,560	596,644	644,803	669,912
Repair & Maintenance	169,919	227,036	214,868	126,552	150,306	210,345	246,464	222,396	249,653	212,161
Other	(366,008)	(464,089)	(450,817)	249,319	215,579	230,576	293,288	289,536	308,538	275,015
Total Direct Expenditures	5,909,736	4,886,926	5,018,257	5,421,362	5,634,778	5,487,186	5,766,406	5,755,723	6,140,517	6,063,675
OPERATING SHORTFALL - DIRECT EXPENDITURES	(3,794,097)	(2,579,857)	(2,771,449)	(3,711,513)	(4,245,397)	(4,003,026)	(4,013,723)	(3,940,508)	(4,350,194)	(4,156,051)
INDIRECT (ALLOCATED) EXPENDITURES [(2)]										
Convention Center Sales, Traffic & Fire Prevention	403,469	470,212	481,471	608,000	518,130	557,604	656,744	684,620	597,751	630,287
Insurance	102,354	141,255	159,663	146,464	137,334	120,513	115,680	119,028	150,159	154,436
Capital Expenditures	742,552	886,290	1,430,498	359,674	589,800	343,371	883,800	344,216	190,770	230,600
			(Scoreboard)							
OPERATING SHORTFALL - DIRECT & INDIRECT EXPENDITURES	**(5,042,471)**	**(4,077,615)**	**(4,843,080)**	**(4,825,651)**	**(5,490,661)**	**(5,024,514)**	**(5,669,947)**	**(5,088,371)**	**(5,288,874)**	**(5,171,374)**

LAS VEGAS CONVENTION AND VISITORS AUTHORITY
CASHMAN CENTER

10-Year Capital Projects Outlook

Updated February 2016

This is an all-inclusive list of potential capital investments for Cashman, inclusive of both the facility and the stadium, over the next ten year period. Individual projects will be evaluated each budget cycle and scheduled based on critical needs and funding availability. The list does not represent a fixed plan, rather it presents an aggregate view of all potential projects for management consideration. The list is sorted based on staff's current assessment of priority. Costs are based on staff estimates and are subject to actual competitive procurement results. The list will be updated as projects are completed, removed from consideration, or revised for cost.

Trainer's Room - Medical Facility Upgrades	$	400,000
Lot C Repair/Reseal		350,000
Stadium Club Level Renovations		175,000
Indoor Batting Cage		150,000
Dugout Upgrades		100,000
Water Valve Replacement		55,000
Freight Door B Track Replacement		20,000
Roof Replacement		3,500,000
Theatre Lights Replacement		200,000
Wi-Fi System		130,000
Perimeter Doors Replacement		100,000
Lot B Repairs and Seal Coat		100,000
Cart Storage Area		20,000
Hydraulic Stage Lift Design & Install		215,000
Auditorium Remodel (Theatre Renovation)		3,500,000
Restrooms - Stadium		1,500,000
Stadium Seating Conversion		400,000
Group/Corporate Event Area Upgrades		300,000
Stadium Concrete Replacement - Concourse		250,000
HVAC System Automation		200,000
Lot D Repairs and Seal Coat		150,000
Airwalls Recarpeting (Meeting Rooms)		100,000
Stadium Locker Room Upgrades		100,000
Theatre Seating Replacement		95,000
Ballfield Protective Netting and Padding		110,000
Restrooms Remodel Design & Construction - Exhibit Halls		400,000
Lighting Controls Upgrade		170,000
Re-tube Boilers		35,000
Speaker Replacement - Exhibit Halls		25,000
Rolling Gate at Lot A		25,000
Stadium Concrete Replacement - Club Level		250,000
Block Wall (additional) on South side of Parking Lot A		150,000
Press Box Upgrade		125,000
Lot A Repairs and Seal Coat		125,000
Bulk Storage Bins		55,000
Ball Field Renovation		1,600,000
Replace Stadium Lights		525,000
Stadium Concession Stands Upgrade		250,000
Kitchen Renovations - Stadium		150,000
2nd Water Supply Design & Install		500,000
Shade Structures (Stadium) for Open Seating		450,000
Boiler Replacement Design & Construction		408,500
RUNNING TOTAL	$	17,463,500

LVCC CLIENT LETTERS OF SUPPORT

Updated February 24, 2016

	Company	Shows Represented	Attendees	Estimated Economic Impact * Direct Spend	Total Spend
1	All Baby & Child Corporation	ABC Kids Expo	12,874	$10,890,000	$18,320,000
2	American Academy of Ophthalmology	AAO	25,000	$21,150,000	$35,580,000
3	American Association of Critical-Care	Critical Care Exposition	387	$330,000	$550,000
4	American Disc Jockey Association	The Las Vegas DJ Show	1,000	$850,000	$1,420,000
5	Anne Holland Ventures, Inc.	Marijuana Business Conference & Expo	600	$510,000	$850,000
6	Bobit Business Media	International Car Rental Show	765	$650,000	$1,090,000
7	Bobit Business Media	Conference of Automotive Remarketing	650	$550,000	$920,000
8	Bobit Business Media	F&I Magazine	1,500	$1,270,000	$2,130,000
9	Bobit Business Media	International Limousine Charter & Tour Show	2,850	$2,410,000	$4,060,000
10	Bowling Proprietors' Association of America	International Bowl Expo	4,500	$3,810,000	$6,400,000
11	Cellular Telecommunications & Internet Association	Super Mobility Week	40,000	$33,840,000	$56,920,000
12	Channel Fire Ball	Magic the Gathering	10,000	$8,460,000	$14,230,000
13	Consumer Electronics Association	International CES	176,676	$149,470,000	$251,410,000
14	ConvExx	Bikefest	32,370	$27,390,000	$46,060,000
15	ConvExx	Shot Show	64,500	$54,570,000	$91,780,000
16	DMG Events	Prospective Business	N/A	N/A	N/A
17	Diving Equipment and Marketing Association	DEMA Show	9,308	$7,870,000	$13,250,000
18	Emerald Expositions	ASD Trade Show	46,797	$39,590,000	$66,590,000
19	Emerald Expositions	Couture Events	6,250	$5,290,000	$8,890,000
20	Emerald Expositions	Globalshop	15,000	$12,690,000	$21,350,000
21	Emerald Expositions	Hospitality Design Expo	14,020	$11,860,000	$19,950,000
22	Emerald Expositions	Interbike Expo	25,000	$21,150,000	$35,580,000
23	Emerald Expositions	LV Antique Jewelry & Watch Show	800	$680,000	$1,140,000
24	Emerald Expositions	Medtrade Spring	2,278	$1,930,000	$3,240,000
25	Emerald Expositions	National Kitchen & Bath	33,119	$28,020,000	$47,130,000
26	Emerald Expositions	Sports Licensing & Tailgate Show	3,958	$3,350,000	$5,630,000
27	Emerald Expositions	Wedding & Portrait Photographer International	12,552	$10,620,000	$17,860,000
28	Emerald Expositions	International Pizza Expo	10,672	$9,030,000	$15,190,000
29	Exhibitor Media Group	ExhibitorLive	4,983	$4,220,000	$7,090,000
30	ExpoNation	Digital Signage Expo	6,021	$5,090,000	$8,570,000
31	Golf Course Superintendents Association of America	The Golf Course Show	14,706	$12,440,000	$20,930,000
32	Healthcare Information & Management Systems Society	HIMSS	37,032	$31,330,000	$52,700,000
33	IDEA Health & Fitness Association	IDEA World Fitness Convention	3,000	$2,540,000	$4,270,000
34	Informa Exhibitions	World of Concrete	55,779	$47,190,000	$79,370,000
35	Informa Exhibitions	Surfaces	25,000	$21,150,000	$35,580,000
36	Informa Exhibitions	International Pool/Spa/Patio Expo	9,500	$8,040,000	$13,520,000
37	International Communications Industries Association	InfoComm International	37,572	$31,790,000	$53,460,000
38	International Council of Shopping Centers	RECon	33,326	$28,190,000	$47,420,000
39	International Door Association	IDA Expo	3,000	$2,540,000	$4,270,000
40	International Exposition Company	International Air Conditioning, Heating, Refrigerating Exposition	40,000	$33,840,000	$56,920,000
41	International Sanitary Supply Association	ISSA/Interclean North America	17,400	$14,720,000	$24,760,000
42	International Sign Association	Sign Expo	19,500	$16,500,000	$27,750,000
43	International Sportsmen's Expositions	International Sportsmen's Expo	12,000	$10,150,000	$17,080,000
44	IPC-Association Connecting Electronics Industries	IPC-APEX Expo	8,118	$6,870,000	$11,550,000
45	LRP Publications	National Workers Compensation & Disability Conference	4,300	$3,640,000	$6,120,000
46	Meeting Expectations, Inc.	Collaborate	6,000	$5,080,000	$8,540,000
47	Meeting Expectations, Inc.	Medassets	4,000	$3,380,000	$5,690,000
48	National Association of Broadcasters	NAB Show	103,042	$87,170,000	$146,630,000
49	National Association of College Stores	CAMEX	N/A	N/A	N/A
50	National Association of Homebuilders	International Builders Show	60,000	$50,760,000	$85,380,000
51	National Automatic Merchandising Association	NAMA OneShow	4,381	$3,710,000	$6,230,000
52	National Funeral Directors Association	National Funeral Directors	6,000	$5,080,000	$8,540,000
53	National Mining Association	MINExpo	50,205	$42,470,000	$71,440,000
54	National Trade Productions	Coverings	22,821	$19,310,000	$32,470,000
55	National Trade Productions	Diving Equipment & Marketing Association	9,308	$7,870,000	$13,250,000
56	Packaging Machinery Manufacturers Institute	Pack Expo	45,244	$38,280,000	$64,380,000
57	Penton	Waste Expo	12,516	$10,590,000	$17,810,000
58	Penton	International Wireless Communications Expo	10,737	$9,080,000	$15,280,000
59	Penton	LIVE Design International	11,847	$10,020,000	$16,860,000
60	Penton	DEV Connections	1,500	$1,270,000	$2,130,000
61	Penton	Data World Center	1,500	$1,270,000	$2,130,000
62	Questex	Nightclub and Bar	37,000	$31,300,000	$52,650,000
63	Questex	IBS/IECSC	25,000	$21,150,000	$35,580,000
64	Questex	Incentive Travel Exchange	1,000	$850,000	$1,420,000
65	Reed Exhibitions	National Hardware Show	28,093	$23,770,000	$39,980,000
66	Reed Exhibitions	PGA Fall Expo	2,813	$2,380,000	$4,000,000
67	Reed Exhibitions	JCK Show	39,176	$33,140,000	$55,750,000

LVCC CLIENT LETTERS OF SUPPORT

Updated February 24, 2016

	Company	Shows Represented	Attendees	Estimated Economic Impact * Direct Spend	Total Spend
68	Reed Exhibitions	International Vision Expo	23,000	$19,460,000	$32,730,000
69	Reed Exhibitions	International Security Conference	28,000	$23,690,000	$39,840,000
70	Reed Exhibitions	G2E	17,000	$14,380,000	$24,190,000
71	ROC Exhibitions	National Facilities Management & Technology	1,500	$1,270,000	$2,130,000
72	ROC Exhibitions	Conference/Exposition	N/A	N/A	N/A
73	ROC Exhibitions	World of Safety Conference and Expo	6,481	$5,480,000	$9,220,000
74	Safari Club International	Safari Club International Hunters Convention	21,000	$17,770,000	$29,880,000
75	Schneider Publishing Company	TEAMS Conference	1,500	$1,270,000	$2,130,000
76	SmithBucklin	International Baking Industry Expo	21,845	$18,480,000	$31,090,000
77	Society of Manufacturing Engineers	Fabtech International	25,903	$21,910,000	$36,860,000
78	SouthComm Business Media	EMS Expo	4,659	$3,940,000	$6,630,000
79	SouthComm Business Media	GSE Expo	1,200	$1,020,000	$1,710,000
80	Specialty Equipment Market Association	The SEMA Show	159,757	$135,150,000	$227,330,000
81	Specialty Graphic Imaging Association	Specialty Graphics Annual National Convention	25,050	$21,190,000	$35,650,000
82	Tarsus Exposition	Off-Price Specialist Center	10,767	$9,110,000	$15,320,000
83	Tarsus Exposition	American Academy of Anti-Aging	6,000	$5,080,000	$8,540,000
84	UBM Advanstar	Magic International	85,000	$71,910,000	$120,960,000
85	UBM Advanstar	Licensing Show	N/A	N/A	N/A
86	UBM LLC	Black Hat/TechWeb	13,000	$11,000,000	$18,500,000
87	UBM LLC	Interop	13,000	$11,000,000	$18,500,000
88	UBM LLC	Catersource	7,263	$6,140,000	$10,340,000
89	Urban Expositions	Las Vegas Souvenir and Resort Show	5,000	$4,230,000	$7,120,000
90	Vacuum Dealers Trade Association	VDTA Annual Tradeshow	3,823	$3,230,000	$5,440,000
91	The Vape Summit, LLC	The Vape Summit	8,000	$6,770,000	$11,380,000
92	Travel Goods Association	The Travel Goods Show	4,000	$3,380,000	$5,690,000
93	Water Quality Association	WQA Aquatech USA	3,665	$3,100,000	$5,220,000
94	Wedding MBA	Wedding MBA	2,500	$2,120,000	$3,560,000
95	Western Veterinary Conference	WVC Annual Conference	14,500	$12,270,000	$20,630,000
96	World Pet Association	Superzoo	20,000	$16,920,000	$28,460,000
97	WT Glasgow Inc	Amusement Expo	2,787	$2,360,000	$3,970,000
98	WT Glasgow Inc	AAPEX	N/A	N/A	N/A
99	WT Glasgow Inc	HDAW	1,800	$1,520,000	$2,560,000
100	WT Glasgow Inc	International Billiard & Home Recreation Expo	2,087	$1,770,000	$2,970,000
			1,906,933	$1,613,320,000	$2,713,570,000

** Economic impact was estimated using current multipliers.*

Las Vegas Convention Center District

Building Partners Support

American Express
Aramark
Cox
Edlen The Power People
Fern Expositions
Freeman
GES
Las Vegas Monorail
Metropolitan Exposition
Shepard
Xpert Expo
Yard Plumbing Inc.

Trade Shows that Testified in October

MAGIC - UBM
CONEXP CON/AGG
Consumer Electronics Show (CES)
International Council of Shopping Centers (Recon - ICSC)
National Association of Broadcasters (NAB)
Specialty Equipment Market Association (SEMA)

Community Business Letters of Support

Ayala Concession Group (ACG)
Burke Construction Group, INC
CenturyLink
Las Vegas Harley Davidson
Latin Chamber of Commerce
Nevada Vice Chairman, Employer Support for the Guard and Reserve
Paragon
Realty Executives
Resort World Las Vegas
Showtime Tours
Sundance Helicopters
The Cashman Companies

SOUTHERN NEVADA
Tourism Infrastructure Committee

MEETING AGENDA

March 24, 2016
8:00 a.m.

Main Location:
UNLV Foundations Building
Blasco Event Wing
4505 S. Maryland Pkwy.
Las Vegas, NV 89154

	1.	**Call to Order, Roll Call and Establish Quorum**
	2.	**Public Comment**
For Possible Action	**3.**	**Acceptance of Minutes from February 25, 2016**
	4.	**Chairman/Committee Comments**
	5.	**Research Staff Report**
	6.	**Committee Workshop**

a. University of Nevada, Las Vegas Land Acquisition and Development Plans Update
b. Review of Las Vegas Sands/Majestic Realty Stadium Proposal
c. Additional Requests

	7.	**April Meeting Preview**
	8.	**Committee Member Comments**
	9.	**Public Comment**
For Possible Action	**10.**	**Adjournment**

NOTE (1) THIS AGENDA HAS BEEN POSTED NO LATER THAN THREE WORKING DAYS PRIOR TO THE MEETING AT THE FOLLOWING LOCATIONS:

a. GOED, 808 W. Nye Ln, Carson City, NV
b. Sawyer Building, 555 E. Washington Avenue, Las Vegas, NV
c. Nevada State Library, 100 N. Stewart St., Carson City, NV

d. Nevada State Capitol, 101 S. Carson Street, Carson City, NV
e. LVGEA, 6720 Via Austi Parkway., Suite 130, Las Vegas, NV
f. City of Las Vegas, City Hall, 400 East Stewart Avenue, Las Vegas, NV
g. City of North Las Vegas, City Hall, 2250 N. Las Vegas Boulevard, North Las Vegas, NV
h. Clark County Government Center, 500 S. Grand Central Parkway, Las Vegas, NV
i. City of Boulder, City Hall, 401 California Avenue, Boulder City, NV
j. City of Henderson, City Hall, 240 Water Street, Henderson, NV
k. City of Mesquite, City Hall, 10 E. Mesquite Boulevard, Mesquite, NV
l. Lincoln County Regional Development Authority, P.O. Box 1006, Caliente, NV
m. Nye County Regional Economic Development Authority, P.O. Box 822, Pahrump, NV
n. GOED website www.diversifynevada.com
o. Nevada Public Notice website http://notice.nv.gov

NOTE (2) Persons with disabilities who require special accommodations or assistance at the meeting should notify Wendy Pope, Governor's Office of Economic Development, 555 E. Washington Ave., Suite 5400, Las Vegas, Nevada 89101 or by calling 702-486-2700 on or before the close of business two business days prior to the meeting date.

NOTE (3) The Committee reserves the right to take items in a different order, combine items for consideration and/or pull or remove items from the agenda at any time to accomplish business in the most efficient manner.

NOTE (4) All comments will be limited to 3 minutes per speaker. Comment based on viewpoint may not be restricted. No action may be taken upon a matter raised under the public comment period unless the matter itself has been specifically included on an agenda as an action item. Prior to the commencement and conclusion of a contested case or quasi-judicial proceeding that may affect the due process of individuals, the Committee may refuse to consider public comment. See NRS 233b.126.

NOTE (5) For supporting material please contact Wendy Pope, 555 E. Washington Avenue, Suite 5400, Las Vegas, Nevada 89101, (702) 486-2700, wpope@diversifynevada.com. Materials may be obtained at the following public locations: Governor's Office of Economic Development, 555 E. Washington Avenue, Suite 5400, Las Vegas, Nevada 89101 or Governor's Office of Economic Development, 808 W. Nye Lane, Carson City, Nevada 89703.

SOUTHERN NEVADA TOURISM INFRASTRUCTURE COMMITTEE MEETING
February 25, 2016

The meeting of the Southern Nevada Tourism Infrastructure Committee was called to order by Chairman Hill at 9:06 a.m. in the Blasco Event Wing located in the Foundations Building 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. Bill Noonan, Senior Vice President of Boyd Gaming
   Mr. William Hornbuckle, President of MGM Resorts International
   Mr. Mike Sloan, Senior Vice President of Station Casinos

   BOARD MEMBERS ABSENT

   Mr. Tom Jenkin, Global President of Caesars Entertainment
   Ms. Kim Sinatra, Executive Vice President of Wynn Resorts
   Mr. George Markantonis, President and COO of The Venetian and The Palazzo

   ADVISORY COMMITTEE MEMBERS PRESENT

   Ms. Elizabeth Fretwell, City Manager of the City of Las Vegas
   Mr. Don Burnette, County Manager of Clark County
   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

   ADVISORY COMMITTEE MEMBERS ABSENT

   Ms. Tina Quigley, General Manager of Regional Transportation Commission of Southern Nevada

2. **PUBLIC COMMENT: 9:07 A.M.**

   Mr. Ed Uehling expresses his dismay that the letter he wrote amending December's meeting minutes was not attached to the January meeting minutes as he requested. Mr. Uehling then shares his concern with the committee using the projected increase in tourism of 1.25 percent. Mr. Uehling states that the LVCVA's goal of increasing international tourism to 30 percent by 2020 would exceed this 1.25 percent increase.

There are no more public comments. Chairman Hill closes Agenda Item 2.

3. ACCEPTANCE OF MINUTES FROM JANUARY 28, 2016: 9:09 A.M.

Chairman Hill opens Agenda Item 3 for a motion to accept the meeting minutes from January. A motion is made by Mr. Sisolak to accept the minutes. Mr. Noonan seconds the motion. The motion passes unanimously.

Chairman Hill closes Agenda Item 3.

4. CHAIRMAN/COMMITTEE COMMENTS: 9:10 A.M.

Chairman Hill notes that a list of topics has been prepared to outline the discussion on the Las Vegas Convention Center. At the end of each topic, Chairman Hill would like to determine whether the issue has been fully addressed and no further work is necessary, or if there needs to be additional research. Chairman Hill notes that during the March meeting, the committee will hear the proposal from Las Vegas Sands and the Majestic Group on the proposed stadium. It is anticipated that there will be a working session for that topic in April. However, this does not exclude any other stadium proposals.

Chairman Hill does not believe the upcoming meetings will be full-day events. He proposes starting future meetings earlier in hopes of ending prior to lunch. The committee members unanimously agree to start at 8 a.m.

Chairman Hill closes Agenda Item 4.

5. RESEARCH STAFF REPORT: 9:14 A.M.

Chairman Hill welcomes Mr. Jeremy Aguero, Principal at Applied Analysis. Mr. Aguero notes that his goal is to synthesize a number of requests that have come up since January's meeting and provide the committee with a brief overview of the work that has been done. Mr. Aguero presents images of the Las Vegas Convention and Visitors Authority's ("LVCVA") proposed renovation and expansion of the Las Vegas Convention Center. Mr. Aguero then points the committee's attention to a summary on the competitive convention activity briefing that his firm compiled. This briefing highlights the major ongoing or recently completed convention center expansion projects within the United States. Additionally, Mr. Aguero has provided the committee members with quotes from representatives of Las Vegas's six largest conventions when they appeared before the committee in October. Mr. Aguero highlights additional reference materials that have been distributed in prior meetings. Since January's meeting, various committee members have had questions regarding LVCVA's debt capacity, the operating deficit of Cashman Field and the Los Angeles Times article on southern California's declining public transportation ridership. All responses and follow-up material for those have been provided to committee members and posted to the committee website, www.sntic.org. Mr. Aguero states that Cordell Corporation generated the LVCVA's project cost estimates, and W.A. Richardson provided a second set of estimates that were within 3 percent of Cordell's estimates.

Mr. Aguero mentions that the Regional Transportation Commission of Southern Nevada ("RTC") has provided preliminary draft legislation regarding a state infrastructure bank and public-private partnerships. Mr. Aguero notes that his firm is in the process of reviewing these materials. Additionally, the RTC has provided a map that outlines the road projects that are currently funded by fuel revenue indexing.

Mr. Aguero calls attention to a list of Las Vegas Convention Center clients who have sent letters of support for the center's expansion and renovation.

Mayor Goodman asks how the other various competitive convention centers are being funded. Mr. Aguero notes that there is not a single way that a convention center building project is funded; methods of funding are noted under each center in the briefing.

Mr. Sisolak asks Mr. Aguero if someone is checking the accuracy of the provided information. Mr. Aguero notes that when the committee requests certain information, Applied Analysis will reach out to obtain the information from the appropriate entity. Then, the firm will look over the information to ensure it satisfies the request and forward that information to the committee. If something jumps out as being inherently inaccurate, the firm conducts additional research.

Mr. Sloan asks how many of the competitive convention centers are being expanded or remodeled. Mr. Aguero points out that in the first paragraph of the briefing, the three convention centers that are currently renovating are listed. Mr. Aguero notes that he has reached out to each center to request further information. Mr. Sloan asks Mr. Aguero to request information in regards to shows that will continue to operate during renovation. Mr. Sloan spoke with a convention operator who stated his show remained in a center that was undergoing renovation after it received pricing concessions.

Mr. Hornbuckle asks who annually audits the LVCVA. Ms. Rana Lacer, Chief Financial Officer for the LVCVA, states that Piercy Bowler Taylor & Kern has been the LVCVA's auditor since fiscal year 2008. In addition to the annual audit, the LVCVA has an internal audit team.

Ms. McMillan asks about the Las Vegas Convention Center's size after completion of the expansion and renovation project. Mr. Aguero states the added space would be 750,000 square feet, 600,000 square feet of which is exhibit hall space. This will bring the total sellable space from 2.1 million square feet to 2.85 million square feet.

6. COMMITTEE WORKSHOP ON CONVENTION CENTERS: 9:57 A.M.

Mr. Hornbuckle asks the LVCVA to explain why it choose to add 600,000 square feet of exhibit space for the project.

Chairman Hill opens Agenda Item 6 and invites Mr. Rossi Ralenkotter, President and CEO of the LVCVA, and his team to join the discussion.

In response to Mr. Hornbuckle's question, Mr. Terry Miller, Principal and owner of Cordell Corporation, explains that there were three elements to the decision to add 600,000 square feet. The first was the need of current customers, such as those who came to October's meeting and expressed the need for 500,000 to 750,000 additional square feet of exhibit space. The second was the opportunity to attract new shows, which was deemed as being 21 potential shows that require 200,000 to 400,000 square feet. The third factor was the swing space necessary to take an existing exhibition hall offline and not lose a trade show. To the question relative to comparative convention center expansions, Mr. Miller also wanted to point out that the 750,000 square feet would be the total added space at a cost of $860 million, not $1.4 billion, which includes the renovation phase of the project as well.

Mr. Sloan asks if current shows are contractually obligated to stay in the Las Vegas Convention Center in future years. Mr. Ralenkotter states the LVCVA is legally able to lease out for 99 days, so most annual shows are leased up to the maximum amount of time. Mr. Luke Puschnig, Legal Counsel for the LVCVA, stresses the 99 days is cumulative. For example, if a show leases for 10 days per year, the show can sign a lease agreement for up to 10 years. Mr. Ralenkotter adds that the LVCVA has confirmed bookings through 2028.

Chairman Hill closes Agenda Item 5.

Mr. Hornbuckle asks Mr. Ralenkotter to explain Cashman Center's position with the LVCVA and its budget. Mr. Ralenkotter notes that in the original agreement with the City of Las Vegas, the LVCVA would take on operation of Cashman Center solely for the purpose of tourism promotion. However, over the years the center has turned into more of local civic center and is not being used to promote people coming to Las Vegas. The center has over 250 use days, but most of the activities are for nonprofits. Ms. Lacer states the annual revenue budget for fiscal year 2016 at Cashman Center is $1.7 million and the operating expenditure budget is $6.1 million. Other indirect expenditures add an average of $1 million per year. Therefore, the average operating loss on Cashman Center is over $5 million per year. Chairman Hill asks if there is potential in transitioning Cashman Center from the LVCVA and use those savings as a part of the funding for the Las Vegas Convention Center District. Mr. Ralenkotter believes this would be a possibility for the LVCVA.

Mr. Hornbuckle asks Mr. Ralenkotter if it would be possible to create an oversight board for the Las Vegas Convention Center District project comprised of resort industry personnel. Mr. Ralenkotter states there will be a numerous oversights for the project, but he believes the board Mr. Hornbuckle is proposing is critical to this project because it is a partnership with the hotels.

Mr. Hornbuckle asks how much of the LVCVA's budget is distributed to special events. Mr. Ralenkotter states it is about $11 million, which includes the rodeo. Mr. Hornbuckle challenges the LVCVA to identify revenues in the budget to supply $15 to $20 million to put against the project for bonding. Mr. Ralenkotter states the LVCVA will prioritize its projects and provide a list of impacts of the recommendations.

Mr. Sisolak believes an online travel company ("OTC") tax is something that should be looked into as an additional source of revenue for the LVCVA. Additionally, Mr. Sisolak believes the rental rates in comparative centers should be researched to see where the Las Vegas Convention Center ranks and possibly adjusted to be used as an additional source of revenue. Ms. Lacer points out that historical rental rates can be found on page 18 of the financial planning document, which also shows the approved rental rate increases for future years. She added that additional revenue generated through anticipated rate increases and additional rental space from the project has been included in the LVCVA's pro forma.

Mayor Goodman asks for information regarding how an entity applies for room tax allocation and how the education entities are using their room tax dollars.

Ms. McMillan asks what percentage of the room tax that is generated in Clark County actually serves the county. Mr. Aguero does not have an exact figure at this time, but he will come back with that information in March. He does state that some revenues, such as the amount dedicated to the Nevada Commission on Tourism, the vast majority of the tax is distributed to areas in Nevada outside of Clark County.

Chairman Hill asks the LVCVA how it generally allocates funds, specifically in regards to marketing and advertising. Mr. Ralenkotter states the bond covenants are specific in that the LVCVA needs to maintain and operate the facilities. That is the LVCVA's primary focus while developing the budget. From that, other obligations are budgeted, including marketing the destination. Chairman Hill asks to explain the Las Vegas Convention Center's maintenance as it relates to being a priority for the LVCVA. Mr. Ralenkotter points out that this is the first time in the LVCVA's history that it has needed to seek additional revenue streams to do an expansion or renovation. The LVCVA has had a reserve of funds over the years. However, the LVCVA has been given direction by the legislature to spend those dollars on various projects, such as high-speed lanes on Interstate 15. The LVCVA has always budgeted 10-year programs for what needs to be done in terms of renovation and maintenance. However, the center now needs to be updated so it can be competitive for the next 25 years. Ms. Lacer stresses that the LVCVA does not haphazardly go about the capital maintenance plan for their facilities. Chairman Hill asks the LVCVA to more clearly identify the maintenance aspects from both an expense and capital standpoint.

Mr. Sisolak expresses his concern about the composition of the LVCVA's board of directors. There are individuals from smaller areas, such as Mesquite, that do not have the expertise that industry members have as it relates to LVCVA's projects. Mr. Hornbuckle agrees that this issue needs to be addressed. He is also concerned that a representative from Mesquite is going to want to preserve what Mesquite is allocated, and this does not serve the interest of the community that is trying to drive tourism.

Chairman Hill wants to understand how much the LVCVA would be able to bond if given an additional 1 percent room tax, specifically as it relates to the coverage ratio. Mr. Hobbs explains the LVCVA has a smaller coverage ratio because it issues bonds through Clark County.

Mr. Sisolak asks how much the LVCVA has refunded or refinanced in the last five years. Ms. Lacer states the LVCVA has refunded several times within the last few years, generating a significant amount of savings that has aided in the acquisition of the Riviera by paying for that new debt. Ms. Lacer points out that on page 37 of the financial planning document it states that the LVCVA has achieved a present value of $13.2 million in savings over the past 10 years by refunding bonds.

Chairman Hill asks the LVCVA to summarize the potential loss in revenue that renovating without taking that space offline would incur. Ms. Cathy Tull, Senior Vice President of Marketing, and Mr. Kevin Bagger, Executive Director of the LVCVA Research Center, explain that there is a significant risk in assuming that shows will continue to operate during renovation since just one show can generate approximately $50 million. Mr. Ralenkotter states the process of determining whether space would absolutely need to be taken offline for renovation would initially include speaking with the customers, showing them the preliminary construction schedule and explaining what to expect throughout the expansion or renovation process.

Mr. Hornbuckle notes that MGM Resorts International will have 3.2 million square feet of convention center space after the completion of the Aria's convention center expansion. They have studied convention center activity extensively. Mr. Hornbuckle states that MGM Resorts International is highly supportive of the Las Vegas Convention Center's expansion and renovation in regards to the effect it will have on the community.

Chairman Hill will work with Mr. Aguero to compile a list of follow-up items for April.

Chairman Hill closes Agenda Item 6.

7. MARCH MEETING PREVIEW: 12:14 P.M.

Mr. Aguero states that he will continue to work with the Sands, Majestic Group and the University of Nevada, Las Vegas ("UNLV") to gather information on their stadium proposal.

Chairman Hill closes Agenda Item 7.

8. COMMITTEE MEMBER COMMENTS: 12:15 P.M.

Mr. Noonan asks Ms. Vassiliadis to provide some background on the issue of having only one fuel pipeline at McCarran International Airport. Ms. Vassiliadis states adding an additional pipeline for Jet-A fuel is the airport's primary recommendation for the committee. McCarran International Airport has had problems in the past where flow has been suspended to the pipeline and there had to be alternate measures taken, such as trucking fuel into the valley.

Additionally, Mr. Noonan would like to discuss height restrictions for the proposed stadium location. Ms. Vassiliadis states McCarran International Airport has not had any briefing on the newly proposed stadium, so she cannot answer specific questions regarding the proposal. However, stadiums are generally an issue near airports due to the activities that happen at stadiums, not so much the height of the stadium. Examples of activities that impact flight activity are fireworks and light shows. These don't affect the safety of the aircraft but instead tend to reduce flexibility of flight activities. Mr. Jessup states there are height restrictions on the area of land where the proposed stadium would be located. However, these restrictions are much higher than the height of the stadium. UNLV will bring more extensive information regarding the proposed stadium to the meeting in March.

Chairman Hill closes Agenda item 8.

9. PUBLIC COMMENT: 12:21 P.M.

Mr. Ed Uehling states the committee has not mentioned five large areas that can potentially generate revenue. These areas of interest for Mr. Uehling are growth, land sales, Chinese dollars, efficiencies with governmental agencies and coordination.

There are no more public comments. Chairman Hill closes Agenda Item 9.

10. ADJOURNMENT: 12:27 P.M.

CHAIRMAN HILL OPENS AGENDA ITEM 10 FOR POSSIBLE ACTION. MR. SLOAN MAKES THE MOTION TO ADJOURN THE COMMITTEE MEETING. MAYOR GOODMAN SECONDS THE MOTION. THE MOTION PASSES UNANIMOUSLY.

SOUTHERN NEVADA
Tourism Infrastructure Committee

Comparative Stadium Costs and Public Contribution Shares

Domed Stadiums

Stadium	Opened	Capacity	Total Cost	Public Cost (Share)
Proposed Stadium, Las Vegas, NV[1] *Primary Tenant: University of Nevada, Las Vegas*	TBD	65,000	$1.2 billion	$780 million (65%)
City of Champions Stadium, Inglewood, CA[2] *Primary Tenant: Los Angeles Rams*	TBD	80,000	$2.6 billion	$0 (0%)
Mercedes-Benz Stadium, Atlanta, GA[3] *Primary Tenant: Atlanta Falcons*	2017	71,000	$1.5 billion	$240 million (16%)*
U.S. Bank Stadium, Minneapolis, MN[4] *Primary Tenant: Minnesota Vikings*	2016	65,000	$1.1 billion	$498 million (45%)
AT&T Stadium, Arlington, TX[5] *Primary Tenant: Dallas Cowboys*	2009	80,000	$1.27 billion	$465 million (36%)
Lucas Oil Stadium, Indianapolis, IN[5] *Primary Tenant: Indianapolis Colts*	2008	62,421	$812 billion	$712 million (88%)
University of Phoenix Stadium, Glendale, AZ[5] *Primary Tenant: Arizona Cardinals*	2006	62,400	$440 million	$276 million (63%)
Ford Field, Detroit, MI[5] *Primary Tenant: Detroit Lions*	2002	65,000	$440 million	$105 million (24%)
NRG Stadium, Houston, TX[5] *Primary Tenant: Houston Texans*	2002	71,054	$449 million	$194 million (43%)

* Figure represents public bonding amount for stadium construction. Atlanta's hotel-motel tax revenue has been pledged to repay the bonds, and any additional amounts up to 39.3 percent of total hotel-motel tax collections will be used for stadium operations and maintenance. It is estimated that the total public contribution will fall between 20 and 30 percent of stadium construction costs.[6]

Open-Air Stadiums

Stadium	Opened	Capacity	Total Cost	Public Cost (Share)
Proposed Stadium, San Diego, CA[7] *Primary Tenant: San Diego Chargers*	TBD	67,500	$1.1 billion	$350 million (32%)
Levi's Stadium, Santa Clara, CA[3] *Primary Tenant: San Francisco 49ers*	2014	68,500	$1.27 billion	$11 million (1%)
McLane Stadium, Waco, TX[5] *Primary Tenant: Baylor University*	2014	45,000	$260 million	$35 million (13%)
MetLife Stadium, East Rutherford, NJ[5] *Primary Tenant: NY Giants/NY Jets*	2010	82,566	$1.6 billion	$0 (0%)
Apogee Stadium, Denton, TX[5] *Primary Tenant: University of North Texas*	2011	30,850	$80 million	$0 (0%)
FAU Stadium, Boca Raton, FL[5] *Primary Tenant: Florida Atlantic University*	2011	30,000	$70 million	$0 (0%)
TCF Bank Stadium, Minneapolis, MN[5] *Primary Tenant: University of Minnesota*	2009	50,805	$303 million	$137 million (45%)
Bright House Networks Stadium, Orlando, FL[5] *Primary Tenant: University of Central Florida*	2007	45,301	$59 million	$0 (0%)

[1] http://www.reviewjournal.com/business/stadium/public-funding-would-cover-two-thirds-unlv-stadium-costs
[2] http://www.cnn.com/2016/01/19/architecture/new-nfl-stadium-los-angeles/
[3] Las Vegas Sands/Majestic Realty Presentation to SNTIC, March 2016.
[4] http://www.vikings.com/stadium/new-stadium/faq.html
[5] UNLV Campus Improvement Authority Board, "Study of the Need for & Feasibility of a New Multi-Purpose On-Campus Stadium," September 2014.
[6] http://www.ajc.com/news/news/local/key-stadium-vote-could-come-today/nWwwt/
[7] http://media.10news.com/document/2015/12/30/san_diego_nfl_letter_123015_29151508_ver1.0.pdf?_ga=1.48400111.852334297.1456354360

Stadiums, Arenas and Events Centers

As legalized gaming has spread throughout the United States and the around the world, Las Vegas has diversified its non-gaming offerings to continue to attract visitors as a world-class tourist destination. Special events, such as concerts and sporting events, play an increasingly larger role in the diversity of the visitor experience, and those events are frequently hosted by a handful of high-capacity venues such as stadiums, arenas and events centers. After building 60,000 rooms during the past two decades, Las Vegas is now building reasons to fill them – stadiums, arenas and events centers are key element of that shift.

Large-Capacity Multi-Purpose Venues in Southern Nevada

Venue	Maximum Capacity	Year Built
Sam Boyd Stadium	40,000*	1971
T-Mobile Arena	20,000	2016
Thomas & Mack Center	18,500	1983
MGM Grand Garden Arena	16,800	1993
Mandalay Bay Events Center	12,000	1999
Cashman Field	10,000	1983
Orleans Arena	9,000	2003

* Sam Boyd Stadium capacity ranges from 36,000 to 40,000 depending on seating arrangement

- Today, special events play a larger role in attracting visitors to Las Vegas than just a decade ago. In 2004, 4 percent of visitors cited a special event as the primary reason for their visit, a number that had been relatively unchanged for years before and after, according the annual visitor profile survey by the Las Vegas Convention and Visitors Authority ("LVCVA"). That figure has climbed higher in recent years, reaching 9 percent in 2013 before settling at 7 percent in 2014.

- Venues in Las Vegas regularly rank among the highest-grossing in the country and world. In the Top Stops of the Decade list released in 2012 by industry publication *Venues Today*, Sam Boyd Stadium (5th), Thomas & Mack Center (12th), Mandalay Bay Events Center (12th) and Orleans Arena (13th) each ranked among the top 15 highest-grossing venues in the world within their respective size categories.

- Working alongside the LVCVA, Las Vegas Events sponsors and promotes some of the region's most recognizable events, including the National Finals Rodeo, NASCAR Sprint Cup, the Las Vegas Bowl, NBA Summer League, USA Basketball, multiple college conference basketball tournaments and other signature events.

- Events sponsored by LVCVA-LVE create significant economic impact. A 2008 survey of 36 sponsored events (out of 51 total) estimated a total economic impact of $459.5 million. Of that, $341.1 million was generated by out-of-town visitors who visited Las Vegas specifically to attend an event. The actual economic impact of special events is much higher, as this figure accounts for only a portion of LVCVA-LVE sponsored events and does not include unsponsored events.

- In fiscal year 2015, the live entertainment tax generated $126.6 million from concerts and events held at casino properties in Clark County. This revenue does not include many events held at venues such as Thomas & Mack Center and Sam Boyd Stadium.

Stadiums, Arenas and Event Centers
Background Resources

Study of the Need for & Feasibility of a New Multi-Purpose On-Campus Stadium
UNLV Campus Improvement Authority Board
https://www.unlv.edu/assets/unlvnow/pdf/VegasStadiumReport-Sept2014.pdf
Report by UNLV stadium board on need and feasibility of a high-capacity campus stadium to serve the college football team as well as large-scale special events.

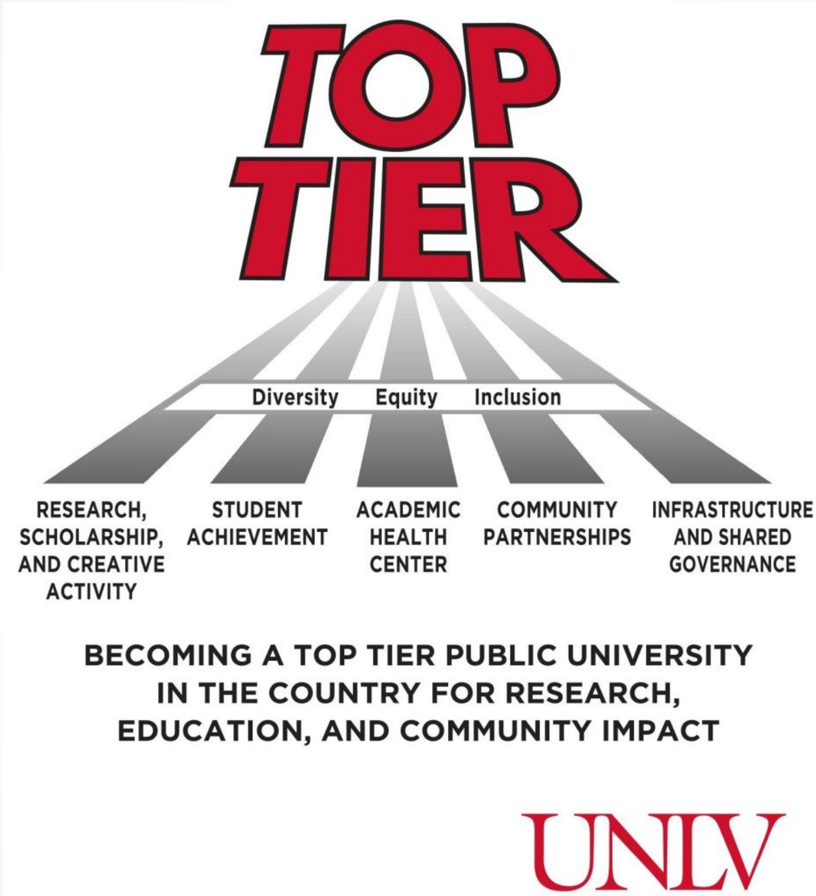
UNLVNow Economic Impact Report (Executive Summary)
University of Michigan's Center for Sports Management
http://www.unlv.edu/sites/default/files/19/UNLVMegaEventsCenterEIRExecutiveSummary.pdf
An economic impact study of a previous effort to build a mega-event stadium at University of Nevada, Las Vegas.

The Impact of LVCVA/LVE Sponsored Special Events on the Southern Nevada Economy
Applied Analysis
http://www.appliedanalysis.com/projects/lvcvaeis/EIS%201.7%20The%20Impact%20of%20LVCVA_LVE-Sponsored%20Special%20Events.pdf
A report on the economic impact of events sponsored by the Las Vegas Convention and Visitors Authority and Las Vegas Events.

The Economic Impact of University of Nevada, Las Vegas
UNLV Center for Business and Economic Research
http://cber.unlv.edu/publications/UNLV_Economic_Impact.pdf
A report on the economic impact of the University of Nevada, Las Vegas. The report estimates impact for the entire university, including a breakdown of economic impacts from only events venues such as Thomas & Mack Center.

Top Stops of the Decade
Venues Today
http://venuestoday.s3.amazonaws.com/doc/TopStops_of_The_Decade_-_2002-2012.pdf
Venues Today's list of top-grossing venues worldwide from 2002 through 2012.

Dr. Len Jessup
President


TOP
TIER
Diversity
Equity
Inclusion
RESEARCH, SCHOLARSHIP, AND CREATIVE ACTIVITY
STUDENT ACHIEVEMENT
ACADEMIC HEALTH CENTER
COMMUNITY PARTNERSHIPS
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BECOMING A TOP TIER PUBLIC UNIVERSITY
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UNLV

CAMPUS IMPROVEMENT AUTHORITY BOARD

UNLV — University of Nevada, Las Vegas

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Campus Improvement Authority Board

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CAMPUS IMPROVEMENT AUTHORITY BOARD

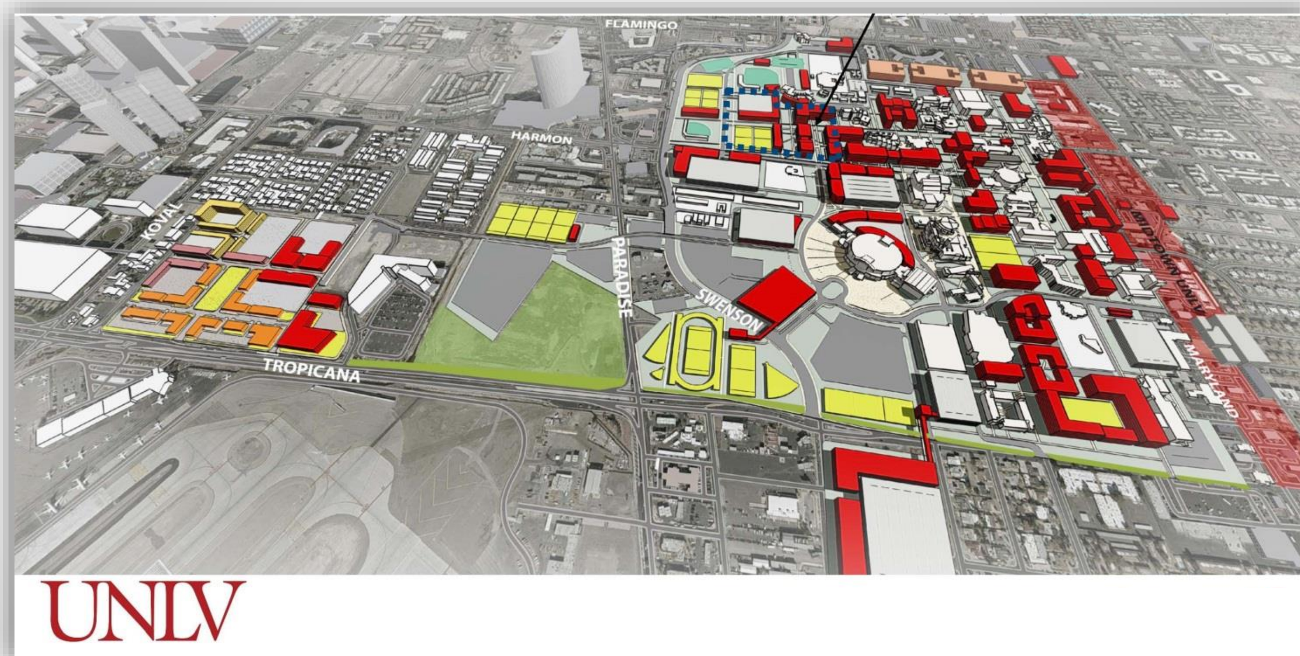
The Nevada Legislature created the Campus Improvement Authority Board (CIAB) during the 2013 legislative session (AB 335). The charter of the CIAB is to study the need for, feasibility of and financing alternatives for a large events center or stadium and other required infrastructure and supporting improvements in the authority area. The CIAB has been meeting as a public body since October of 2013.

MEETINGS

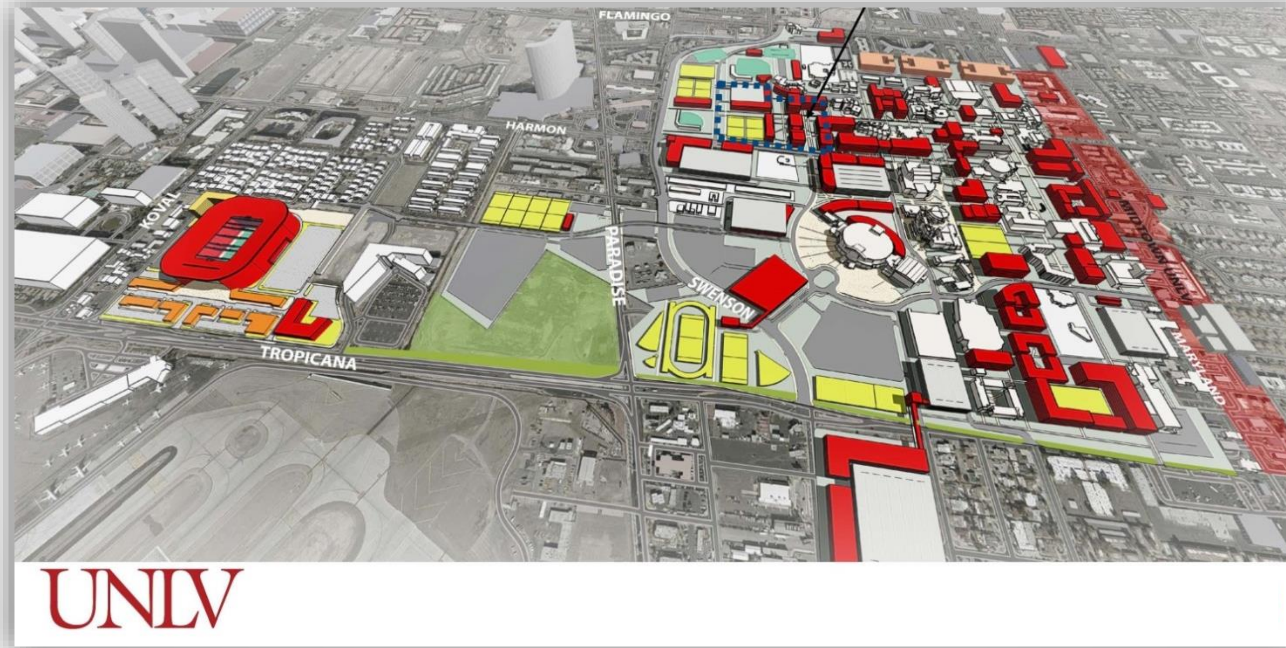
Tuesday, Feb. 23
Campus Improvement Authority Board
1 p.m.
Las Vegas Convention Center
More info »

LAS VEGAS STADIUM REPORT

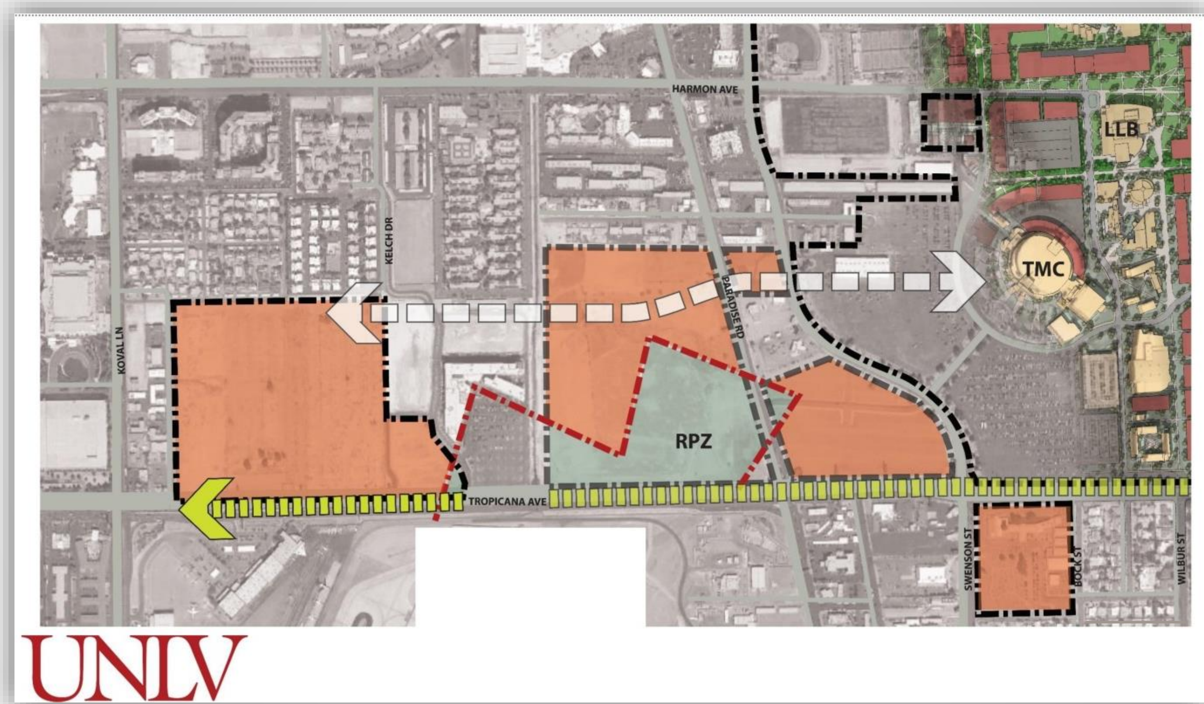
CAMPUS VILLAGE OPTION OVERALL VIEW



STADIUM OPTION OVERALL VIEW



TRANSPORTATION



QUESTIONS?

<u>CIAB Report to Legislature – September 30, 2014</u>

Highlights of key recommendations/findings.

*There is a clearly established need for a new stadium on the UNLV campus, or as an extension of the campus, and close to The Strip.

*That a new stadium will host football games, special events and other activities that benefit UNLV, and the community as a whole.

*For a new stadium to be feasible it must bring together the university and community as a whole in the form of a public-private partnership that most effectively serves the needs of all stakeholders.

*Based on existing conditions, the stadium could be a state-of-the-art, open air collegiate stadium which includes a shading system and has approximately 45,000 seats.

*The development and funding of a new stadium is not feasible at this time.

*The CIAB recommends that the Legislature allow consideration of alternative sites that can be considered an extension to the current UNLV campus.

*The CIAB requests the Legislature enact legislation to continue the CIAB through the 2017 Legislative Session by extending the authorization of the CIAB from the current September 30, 2015 to September 30, 2017.

*The CIAB requests the Legislature include in the legislation the appointment/re-appointment of members, a mandate for the CIAB's continued work, and a timeline for that work to be completed.

CIAB Final Report Summary of Stadium Options

	Collegiate	Open Air	Domed
Seating	45,000	50,000-55,000	50,000-55,000
Direct Economic Benefit	$175M	$175M	$429M
Indirect/Induced Econ Benefit	$101M	$101M	$248M
Total Annual Econ Benefit	**$276M**	**$276M**	**$677M**
Total annual Employment	2,550	2,550	6,267
Annual incremental tax collections	$15M	$15M	$37.1M
Hard Construction Costs	$342M	$449M	$592.5M
Soft Costs	$80.9M	$106.2M	$140.1M
Site & Infrastructure	$100M	$100M	$100M
Total Cost Estimate	**$522.9M**	**$655.2M**	**$832.6M**

UNLV Campus Improvement Authority
Board Members – February 2016

Rick Arpin
Senior Vice President and Corporate Controller
MGM Resorts International

Cedric Crear
Owner/Operator
Crear Creative Group

Chris Giunchigliani
Clark County Commissioner
Clark County, Nevada

Dallas E. Haun
President, Chief Executive Officer and Chairman of the Board
Nevada State Bank
Executive Vice President
Zions Bancorporation

Kirk Hendrick, Vice Chair
Executive Vice President and Chief Legal Officer
Zuffa, Inc. (UFC)

James Dean Leavitt
Attorney/Owner/Operator
The Law Office of James Dean Leavitt

Sean McBurney
Vice President and Assistant General Manager
Caesars Entertainment

Bill Noonan
Senior Vice President of Industry and Governmental Affairs
Boyd Gaming

Kevin Page
Managing Director
Client Relations Director- Public and Taft- Hartley Plans
Institutional Client Relations
WELLS FARGO ASSET MANAGEMENT
Wells Capital Management

Kim Sinatra
Senior Vice President, General Counsel and Secretary
Wynn Resorts, Ltd.
Senior Vice President and General Counsel
Worldwide Wynn, LLC

Michael Wixom, Chair
Attorney
Smith, Larsen & Wixom

RTC Transportation Plan

Major Elements & its impact on the 42 acre site and UNLV

We have highlighted in red the items below that we believe specifically benefit UNLV and the 42 acre site, with some additional notes related to this focused look.

PROJECT SUITE 1 - Enhance visitor mobility between McCarran International Airport, the Resort Corridor, and Downtown

Surface/Local Roadway Improvements:

- Develop an elevated one-way couplet system on Koval Ln. /Swenson St. and segregated lanes on Tropicana Ave. to serve as an express connection between the airport and the Resort Corridor.

High-Capacity Transit Improvements:

- Core Area light rail connecting McCarran International Airport to the Strip and Downtown Las Vegas, generally along Las Vegas Boulevard
- Bonneville Transit Center expansion to accommodate light rail
- Light rail extension to Cashman Center
- McCarran Multimodal Transportation Center adjacent to McCarran International Airport that could interface with the public transit system, private transportation services, and the airport's on-site people mover circulation system.

PROJECT SUITE 3 - Improve connections between convention and event facilities

Surface/Local Roadway Improvements:

- Giles-Reno-Koval
- Koval Ln. widening
- Paradise/Swenson one-way couplet extension
- Harmon Ave. (complete street)
- Howard Hughes Parkway extension (Tropicana-Flamingo connector)

Pedestrian Improvements:

- Pedestrian bridges on Paradise Rd. at Convention Center Dr. and Harmon Ave, and on Koval Ln. at Sands Ave. and Tropicana Ave.

High-Capacity Transit Improvements

- Monorail extension to Mandalay Bay
- New monorail station at Sands Expo and Convention Center
- Monorail spur to LVCVA expansion facilities

PROJECT SUITE 4 - Improve connectivity between the Core Area and workforce population centers

High-Capacity Transit Improvements:

- High-capacity transit via Bus Rapid Transit or Light Rail Transit on Maryland Pkwy.
- High-capacity transit via Bus Rapid Transit or Light Rail Transit on Charleston Blvd.
- High-capacity transit via express bus lines utilizing North 5th St, Valley View Blvd. /US 95/Summerlin Pkwy., South Las Vegas Blvd. /Blue Diamond Rd., and I-215/CC-215
- Flamingo Rd. corridor transit improvements
- Regional park-and-ride facilities

PROJECT SUITE 5 - Improve Core Area access from I-15

Surface/Local Roadway Improvements:

- Valley View-Harmon grade separated connection over the Union Pacific Railroad
- Martin L King Blvd. extension south to Meade Ave.
- Meade Ave. connection to Resorts World Dr.

Freeway Improvements:

- I-15 direct access HOV drop ramp to Harmon Ave.
- I-15 direct access HOV drop ramp to Hacienda Ave.
- I-215 HOV direct airport connection
- I-15/Tropicana Ave. interchange capacity upgrades

PROJECT SUITE 6 - Improve Downtown circulation and access

Surface/Local Roadway Improvements:

- Grand Central Pkwy-Industrial Rd connector

Freeway Improvements:

- I-515/City Pkwy interchange

Pedestrian Improvements:

- Downtown Las Vegas pedestrian bridges across the Union Pacific Railroad

High-Capacity Transit Improvements:

- Downtown Circulator Trolley

PROJECT SUITE 7 - Support transportation infrastructure coordination and implementation

- Transportation navigation program: Give visitors the tools and information they need to understand where they are going, what transportation options are available, how much they cost, and where to access them.
- Resort Corridor Mobility Association: Establish a chartered group of Resort Corridor stakeholders (Resort Corridor Mobility Association) charged with mitigating impacts to the transportation system by scheduling, coordinating, and managing Core Area infrastructure needs related to conventions/major events, construction-related activities, roadway maintenance and parking related issues.
- Parking management: Establish parking regulations that encourage more efficient use by high value users, such as carpoolers; that reduce required parking ratios or allow greater flexibility in calculating parking needs; and that increase availability and use of remote parking facilities served by express transit or shuttle.

Summary Packet of Information on Previous UNLV Related Reviews of Stadium Projects

September 24, 2015

Index

CIAB-Campus Improvement Authority Board
CSL- Conventions, Sports & Leisure

To: Southern Nevada Tourism Infrastructure Committee

From: Donald D. Snyder

Re: UNLV Stadium / Events Center -- Brief History and Chronology of the Past 5 Years

There has been extensive dialogue and efforts to advance the concept of a stadium / events center at UNLV in recent years. These discussions, while focused on a facility on the UNLV campus, all revolved around a project which would serve both UNLV and the broader community -- including the resort industry. This discussion used the Thomas and Mack center as the model -- serving UNLV, but where the vast majority of revenue comes from events hosted for the community.

Given the dialogue which began in 2010 and continued in one form, or another, until now, it may be helpful to have a brief recap of the history and chronology of this extensive dialogue:

Fall, 2010 through May, 2013: UNLVNow / Majestic Realty

Craig Cavileer, an executive with businesses (LV-based Silverton Casino and Southern California-based Majestic Realty) owned by Ed Roski, a major commercial real estate developer and community leader from Southern California, initiated conversations with UNLV and members of the UNLV Foundation about the concept of an on-campus stadium and related development. Several members of the UNLV Foundation with significant real estate development experience volunteered to serve on a Development Advisory Board ("DAB") providing advise and counsel to the UNLV President. The DAB provided strong support to UNLV throughout this phase.

Those initial conversations focused on a flexible seating capacity facility (5,000 to 35,000 seats) to accommodate different types of events, fashioned after a similar facility in Japan. Those early conversations also included the concept of a second, separate on-campus development of a "Student Village" with housing and retail.

The concept for the stadium evolved from the early flexible seating concept to the "Mega Events Center" -- a multi-purpose covered stadium which could accommodate 55,000 to 60,000 guests, with a full range of entertainment and hosting amenities. While smaller than Cowboy Stadium in Texas, it was, in concept and aspiration, to be a direct competitor for staging a full range of large events -- events which cannot be accommodated by existing facilities in Southern Nevada.

The relationship between UNLV and Majestic Realty was formalized initially in a Preliminary Assessment Agreement ("PAA") in February, 2011, followed by an Exclusive Negotiation Agreement ("ENA") executed in July 2012. That ENA and the relationship it created with Majestic was terminated by UNLV in May, 2013, following a Notice of Termination issued in March, 2013.

It was increasingly clear to UNLV officials in early 2013 that many elements of the Mega Events Center ("MEC") did not have the level of stakeholder support needed. There was not sufficient consensus concerning the scale, scope and some elements of the project; and total estimated costs had reached roughly $1 billion, a number which elevated concerns for some stakeholders. Following a report from the consultant "Sterling Project Development", UNLV made the decision to terminate the ENA after reviewing and evaluating the recommendations in the report, including specifically:

".... the University should re-engage with the LVCVA, as well as the hotel industry, to gauge the nature and extent of their support for the Mega Events Center. Central to those discussions will be the establishment of a basic program outlining the size and scale of the project....."

More generally, there was also valuable information about the MEC produced by experts from the University of Michigan's Center for Sport Management (the "Rosentraub" report). Information from that report will be referenced during our UNLV presentation in the September 24th meeting. We are including in the material being provided in advance of the meeting, a report on the MEC which gives a very good overall summary of the project -- the Hobbs, Ong & Associates report entitled "Mega-Events Center at UNLV". This report summarizes relevant aspects of the Rosentraub report, and importantly, adds its own valuable analysis to substantiate and support the Rosentraub findings. We will, of course, provide full copies of all reports referenced if requested.

Following the termination of the ENA, it should be noted that Majestic continued, for a short period toward the end of the 2013 Legislative Session, to independently pursue their MEC concept. This included them taking a short term option on the 42 acre parcel on Tropicana which UNLV has subsequently optioned in 2015.

With the Campus Improvement Authority Board ("CIAB"), created by passage of Speaker Kirkpatrick's AB 335 at the end of the 2013 Legislative Session, the UNLVNow phase of this project ended and that legislation charted the path for the project to enter the next distinct phase.

June, 2013 through September, 2014: The Campus Improvement Authority Board.

With the approval of AB 335 by the Legislature in May, 2013, and the subsequent signing into law by Governor Sandoval, the CIAB was created, with the goal of bringing key stakeholders to the table and discuss this issue in a public forum. The mandate for the CIAB was to study the need for, the feasibility of, and the financing alternatives for a large events center (the multi-purpose stadium) and related infrastructure / supporting improvements. The legislation required the CIAB to submit a "Final Report", with recommendations, to the Legislative Counsel Bureau by September 30, 2014, to enable consideration in the 78th Session of the Nevada Legislature earlier this year.

An 11 member Board was seated and its schedule of meetings was initiated in October, 2013. The CIAB approved its Final Report in September, 2014, submitting it to the Legislative Counsel Bureau by the September 30, 2014 deadline.

An objective of AB 335 was to create, in the composition of the Board, a diverse group of members representing stakeholder of a stadium / events center project. That membership is detailed below:

Board of Regents appointments (4 members): Regents Cedric Crear, James Dean Leavitt, and Michael Wixom, as well as UNLV's Don Snyder (who was elected to serve as Chairman of the CIAB).

LVCVA appointments (3 members): Paul Chakmak (Boyd Gaming and who resigned from the CIAB in September, 2014), Rick Arpin (MGM Resorts) and Sean McBurney (Caesars Entertainment).

Governor appointment (1 member): Dallas Haun (Nevada State Bank).

Speaker of the Assembly appointment (1 member): Kim Sinatra (Wynn Resorts).

Senate Majority Leader appointment (1 member): Kirk Hendrick (UFC).

Clark County Commission (1 member): Commissioner Chris Giunchigliani.

The work of the CIAB was facilitated by Convention Sports & Leisure ("CSL"), a very highly regarded consultant, with extensive experience in this type of project. There were a series of 17 public meetings of the CIAB, beginning in October, 2013, and concluding in September, 2014, including two public workshops in which provided valuable input from multiple stakeholders who produce, host, and sponsor major events. Throughout this period, there were also many one-on-one meetings with stakeholders.

A copy of the summary of the final report facilitated for the CIAB by CSL is included with the material being provided to you for our presentation on September 24th. In short, that report indicated that the CIAB established a demonstrated need for a new stadium / large events center, but that it was not the right time to proceed. Instead, the CIAB recommended that the 78th Legislature approve legislation to continue the work of the CIAB for an additional two years. The legislation then approved and enacted into law was AB 451.

June, 2015 and beyond: AB 451 and the continuation of the CIAB.

AB 451 became the basis for the Legislature to act during the 2015 Legislative Session. It was approved and signed into law by Governor Sandoval at the end of the Session. In summary, AB 451 made a few key changes to what had been in 2013's AB 335, continuing its mandate for two years. A summary of those changes follows:

-- Enlarged the boundaries which the Authority may evaluate as potential sites for a large events center (multi-use stadium), to include land within 1 1/2 miles of current campus boundaries. This enables consideration of the 42 acres on Tropicana, behind the MGM property which extends east of the Strip to Koval Lane.

-- Extended the CIAB by two years, to October 1, 2017.

-- Extended the terms of CIAB members.

-- Requires a Final Report, with recommendations, to be submitted to the Legislature by September 30, 2016.

-- Enables the CIAB to hold its meeting off-campus, but in the County.

CIAB Members have been advised that no Board meetings are expected before 2016. The Southern Nevada Tourism Infrastructure Committee may find it appropriate to consider the CIAB and its mandate in the context of its own mandate.

UNLV

Benefits of a New Stadium

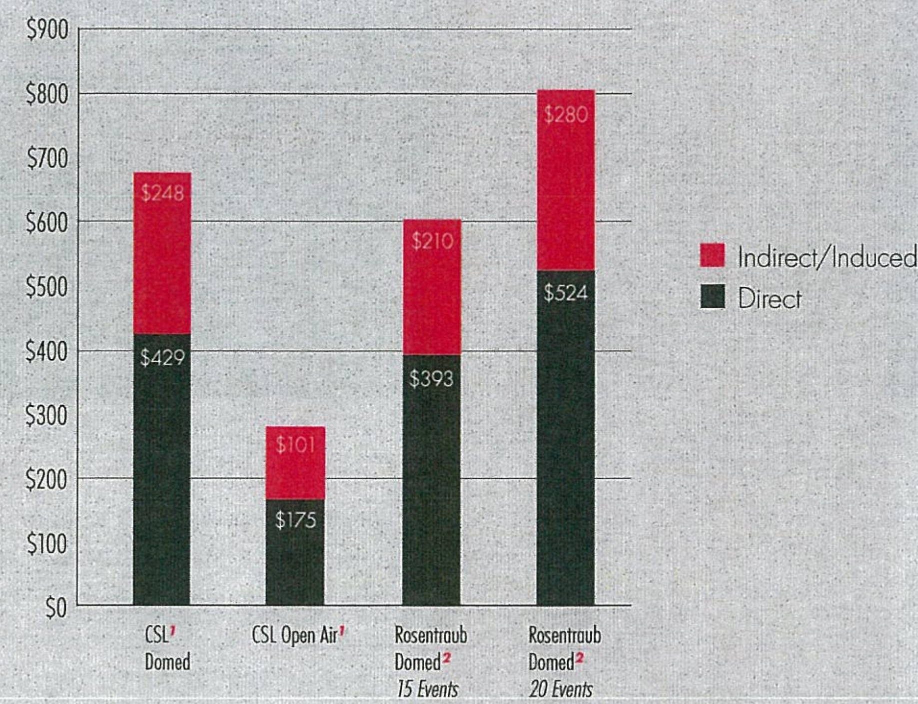
History

For many years UNLV's Runnin' Rebels played basketball at the Las Vegas Convention Center – a wonderful partner – before the community embraced the decision to build the Thomas & Mack Center. It changed the dynamics of the men's basketball program forever. The arena became part of the team's identity, a revenue enhancer for UNLV athletics, and part of the overall experience for the fans, the players, and the community. Today the Thomas & Mack Center has evolved into more than a basketball arena. Although a new concept 30 years ago when introduced, the Thomas & Mack has a history of success and is viewed as a neutral venue for special events that attract new business like the NBA Summer League in July, USA Basketball in August, the PBR World Finals in late fall, and the National Finals Rodeo in December. That same successful model can be utilized for a new stadium close to the Las Vegas Strip and as an extension of UNLV. In this case 1+1 equals more than 2. The benefits go far beyond the stadium itself, including construction jobs, service-industry jobs, new tax revenue, economic stimulus for the county and the state, and a facility the community and UNLV can use.

- Like the Thomas & Mack did for UNLV basketball, a new stadium will improve recruiting and enhance the competitiveness and financial performance of UNLV football and bring all of UNLV's athletic programs to campus.
- Besides energizing UNLV athletics and strengthening UNLV's connection with Las Vegas, the stadium will also create a true game-day experience for students, student athletes, alumni (many of whom live and work in Southern Nevada), and community.
- For a city that attracts visitors with a full range of activities and events, Las Vegas does not have a state-of-the-art venue to host events requiring more than 40,000 seats.
- The impact of a new stadium as an extension of the UNLV campus is projected to have significant economic benefit, even based on conservative financial models relative to the new events and visitors that Las Vegas will be able to attract (in addition to retaining existing activities).
- A UNLV stadium will boost employment and economic. *See the back of this sheet for projections.*

- Las Vegas has emerged as an international travel destination. A stadium just steps from the Las Vegas Strip will offer incredible opportunities to attract visitors, generate publicity for Las Vegas, and support UNLV and UNLV athletics.
- As the university matures, a stadium that is an extension of the campus will not only enhance the overall university experience, it will strengthen UNLV's role as the gathering place for education, arts, and athletics, providing another gateway to UNLV.
- UNLV's vision for the future is one with strong research and academic programs, a medical school that improves access to high quality health care, and a campus environment that enriches the student, alumni, and community experience. It's part of the overall strategy to become a Carnegie Tier One university.
- Tier One universities are research-focused, retain the brightest and best students, receive more federal grants and generate more economic development for the community. Most feature strong athletic programs that enhance the connection to the university.
- UNLV's goal as a university includes elevating our academic, research, and athletics programs. A stadium connected to the campus is consistent with this vision and master plan and necessary for the long-term success of UNLV athletics.
- The model for this strategy is evident in universities throughout the western part of the United States: Utah, Oregon, Arizona State, UCLA, Washington, and Colorado are examples.
- A great community needs a great university connected to that community and beyond. A new stadium associated with the campus will play a major role in that regard.

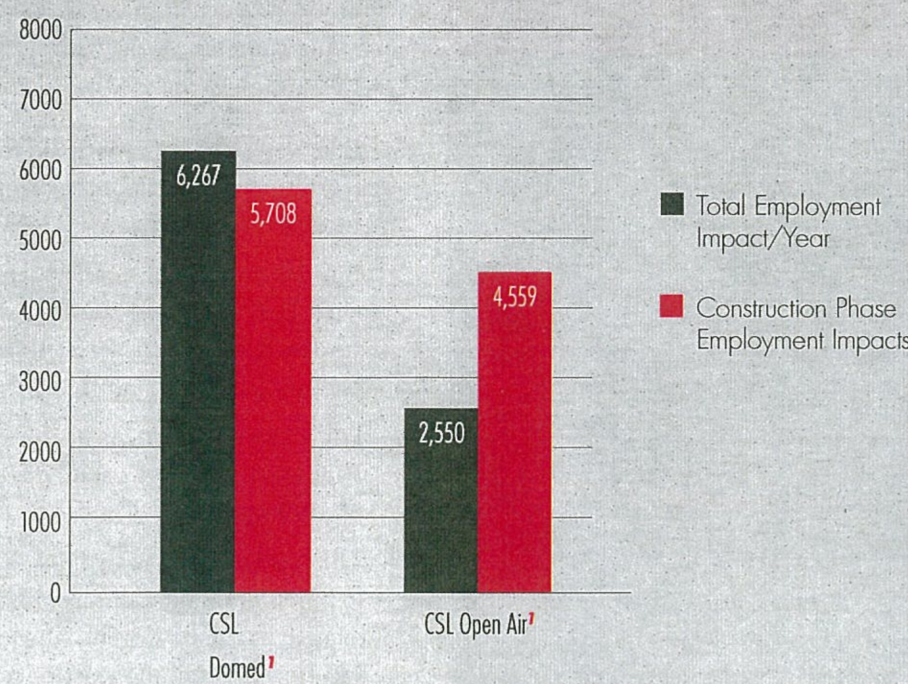
Projected Annual Economic Impact of Stadium – In Millions



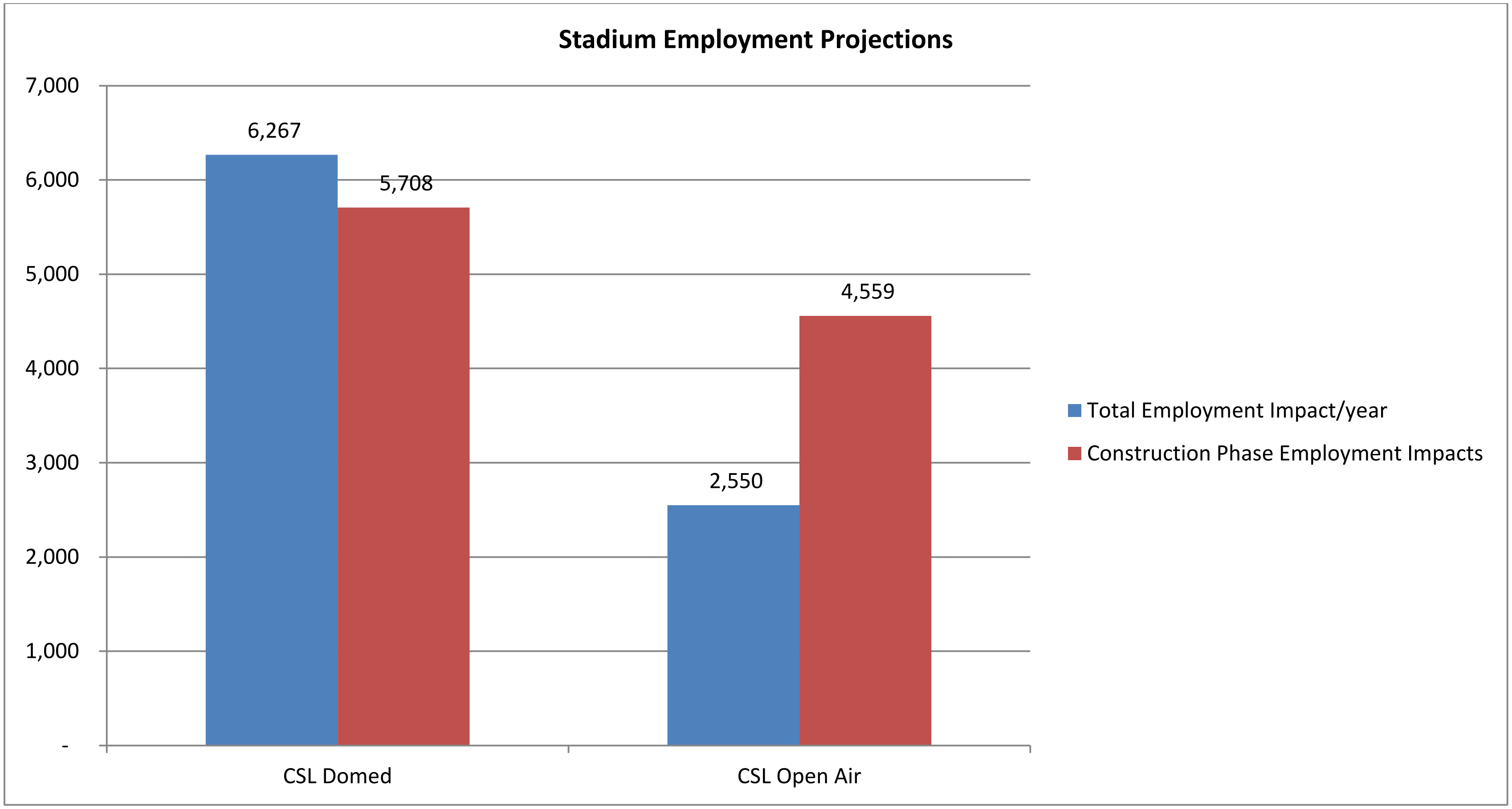
[1]CSL, 2014 report

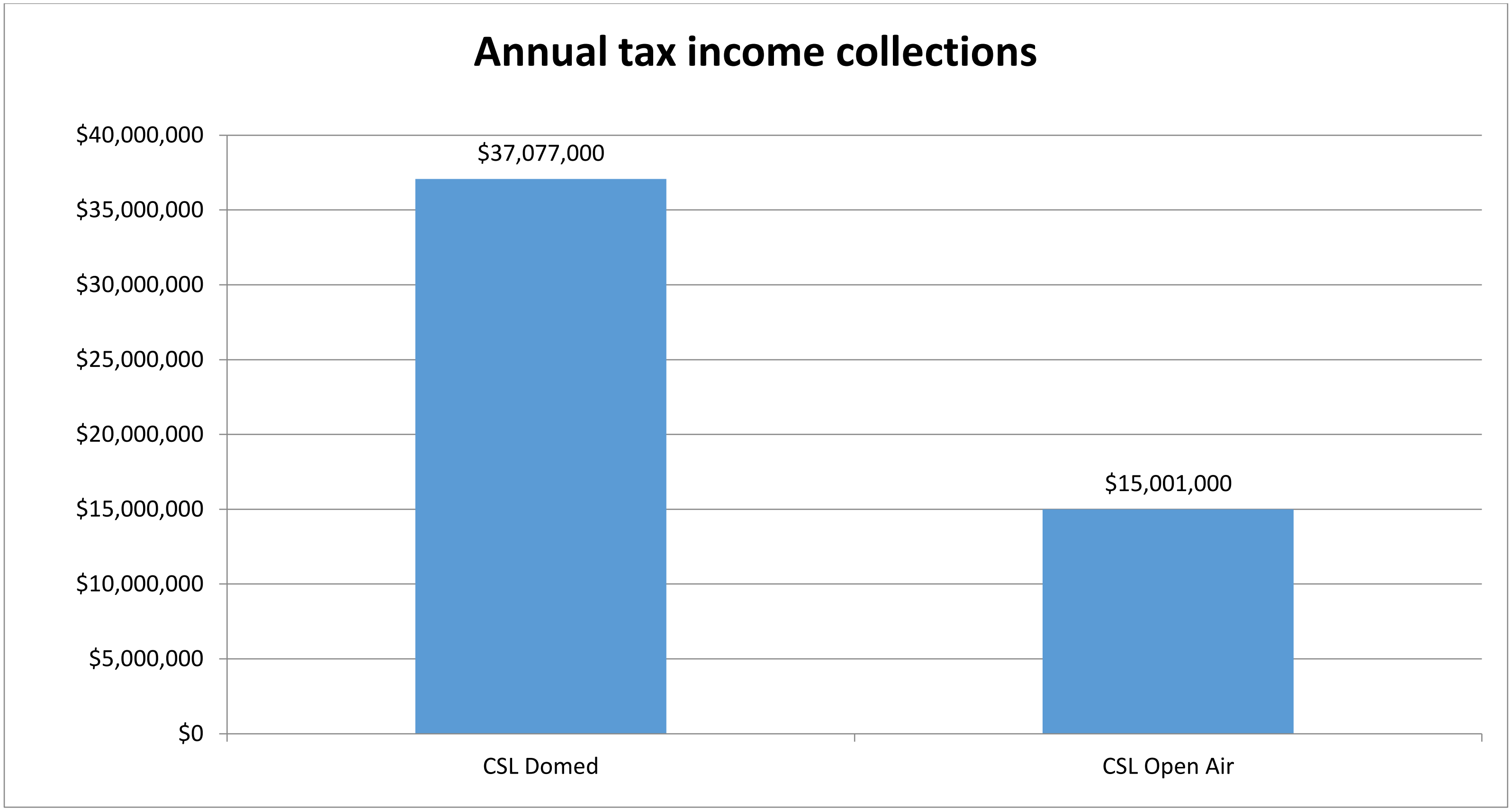
[2]Rosentraub Report, 2012

Stadium Employment Projections



[1]CSL, 2014 report


Stadium Employment Projections
7,000
6,000
5,000
4,000
3,000
2,000
1,000
-
6,267
5,708
4,559
2,550
CSL Domed
CSL Open Air
Total Employment Impact/year
Construction Phase Employment Impacts


Annual tax income collections
$40,000,000
$35,000,000
$30,000,000
$25,000,000
$20,000,000
$15,000,000
$10,000,000
$5,000,000
$0
$37,077,000
$15,001,000
CSL Domed
CSL Open Air

	In Rosentraub List * (Domed)	Current CSL List Domed	Current CSL List Open
New Events to Attract Incremental Visitors: Rosentraub/CSL			
PAC-12 FB Conference Championship Game (Dec)	X		
NFL Exhibition Game (August)	X		
New College Football Bowl Game (December)/New Bowl Game	X	1	0
Neutral Site College Football game (Fall)/Neutral Site College Football	X	2	1
Second Neutral Site College Football game (Fall)	X		
International Soccer Festival (Summer)/International Soccer	X	2	1
Electronic Music Festival (2-3 days, summer)	X		
Country Music Festival (either w/ACM weekend or another time) 2-3 days	X		
Combatives/UFC, boxing, etc.	X	2	0
Tour Conert (summer)/Major Concerts	X	2	1
Tour Concernt (second, summer)	X		
Winter Kick Soccer Festival (February)	X		
Rock Music Festival (summer)/Festivals	X		
X Games (summer)	X		
NFL Pro Bowl (January)	X		
MWC Football Championship Game (December)	X		
NFR Closing Event (December)	X		
Wrestlemania	X		
Republican or Democratic National Convention	X		
NCAA Final Four Basketball Championships	X		
Comic-Con	X		
Boxing/Boxing	X		
MLS All-Star Game	X		
Corporate Events	X		
/Signature Events			
/Major Non-Recuring			
OTHER		4	0
Existing Events at SBS:			
UNLV Football		6	6
Rugby		4	4
Las Vegas Bowl		1	1
Motorsports		3	3
Total (1)		27	17
(1) Does not include 75-100 "Cateered Events"			
New Events that may not attract incremental visitors:			
MLS		17	17
		44	34

*Note: Rosentraub list assumed a minimum of 15 of these events per year would occur, and they focused only on new events, not tranfer events from other venues (SBS, etc.) or new events for local consumption (MLS)

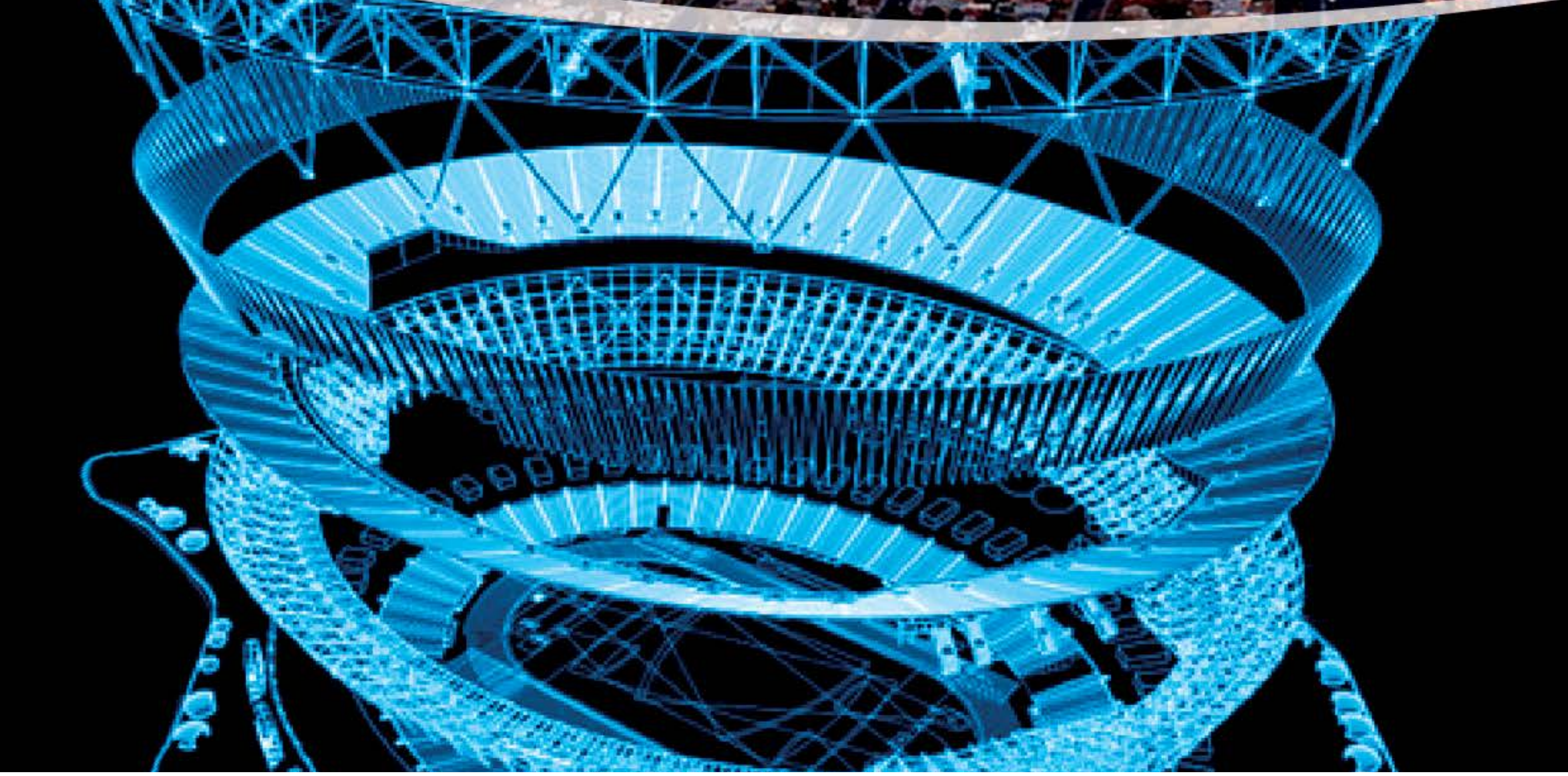
Note on Assumed Seating Capacity:

Rosentraub/Majestic Stadium	55,000+
CSL/CIAB State-of-the-Art Collegiate Stadium	45,000
CSL/CIAB Open-Air or Domed Stadium	50,000 - 55,000

UNLV Campus Improvement Authority Board

Study of the Need for & Feasibility of a New Multi-Purpose On-Campus Stadium

September 25, 2014



CONVENTIONS SPORTS & LEISURE (CSL) | LEGENDS | RCG ECONOMICS | tedferris consulting | VENUE Solutions group

CITY OF LAS VEGAS

Las Vegas is one of the premier entertainment destinations in the world, serving as host to approximately 40 million visitors annually. As Las Vegas has continued to evolve as a major world entertainment and tourist destination, many of the City's resorts and casinos have begun to develop new and innovative ways of attracting visitors to their properties by building state-of-the-art, on-site entertainment venues capable of hosting a variety of concerts, shows and sporting events.

SITUATION

The vision of UNLV is to become a Tier One – Carnegie Research Very High – institution with athletic, academic and campus experience consistent with its aspirational peers. Tier One universities are research focused with overall academic excellence, attract the brightest and best students and faculty, are committed to student success, receive more federal grants and generate more economic development for the community and the state. UNLV's goals as a university include elevating its academic and student success, research, and athletics programs. A new stadium connected to the campus, or as an extension of the campus, could enhance the experience for students, faculty, and the University community as a whole, as well as enhance the visibility of UNLV and its recruiting of students and faculty.

In addition to the needs of UNLV, there are also needs for a new state-of-the-art facility. Although the City currently offers a number of entertainment venues, in addition to the 18,776-seat Thomas & Mack Center and 36,800-seat Sam Boyd Stadium, it lacks a state-of-the-art major sports and entertainment venue capable of accommodating crowds in excess of 40,000. As such, Las Vegas is currently at a disadvantage when compared to other major US markets, such as Dallas/Ft. Worth, Houston, New York, San Francisco, New Orleans, and Phoenix, in its ability to attract major domestic and international sports and entertainment events. Events such as international soccer, Republican/Democratic National Convention(s), X Games, and NFL Pro Bowl attract visitors from all over the world who serve as drivers of incremental spending and tax revenue generation to an area. As competition for the entertainment dollars of patrons and corporations increases, it is vital that markets develop new ways of attracting visitors to the area.

As an outgrowth of this need, the University of Nevada, Las Vegas ("UNLV") worked with the legislative leadership in the 2013 legislative session to develop and finalize AB335, which called for the creation of a Campus Improvement Authority Board ("CIAB") to study the need for, feasibility of and financing alternatives for a large events center ("Stadium") on the UNLV campus. The CIAB, which consists of 11 members representing UNLV/Board of Regents, Clark County, the hotel/resort industry, and other business interests, engaged the project team consisting of Conventions, Sports & Leisure International ("CSL"), Legends, RCG Economics ("RCG"), Venue Solutions Group ("VSG) and Ted Ferris Consulting ("TFC") in order to address their legislative mandate contained in AB335 and finalize their report to the 78th Session of the Nevada Legislature which commences in 2015.

In order to assess the overall viability of the Stadium project, CSL has developed an approach that will answer a multitude of critical questions related to the development of the proposed Stadium, including but not limited to the following:

- Is there a need for a new Stadium in Las Vegas located on the UNLV campus?
- What is the appropriate Stadium design?
- How large should the Stadium be?
- What number and types of events can be hosted?
- How many premium seats can be supported?
- Is the Stadium project feasible?
- How much will the Stadium project cost?
- What infrastructure improvements are necessary?
- How will the Stadium project be financed?
- What alternate funding sources are available?
- How should the Legislature carry out the Stadium project recommendations?

The remainder of this executive summary presents key findings related to the analysis. The full report should be read in its entirety to obtain the background, methods and assumptions underlying the findings.

HISTORICAL UNLV VENUE ANALYSIS

In order to assess the impacts of a new on-campus multi-purpose stadium at UNLV, it is important to evaluate the current operations of the multiple facilities at UNLV. The following is a summary of key take-aways from an analysis of the historical operations of UNLV venues:

- Approximately one-third of the overall event activity at Sam Boyd Stadium consists of UNLV home football games, with the remaining two-thirds consisting of a variety of concerts, sporting events, motorsports, festivals and other uses.
- UNLV-related events have historically accounted for approximately 27 percent of event activity, 20 percent of total attendance, and 16 percent of total operating income at the Thomas & Mack Center.
- Historically, the Thomas & Mack Center has served as a neutral-site venue that retained and attracted new business to the area, including the NBA Summer League, USA Basketball, the PBR World Finals and the National Finals Rodeo.
- UNLV average home football game attendance of approximately 17,200 per game ranks among the lowest when compared to other Mountain West Conference and Pac-12 Conference peers.

LOCAL & REGIONAL MARKET CHARACTERISTICS / COMPETITIVE FACILITIES

An important component in assessing the potential success of a new stadium at UNLV is the demographic and socioeconomic profile of the local market. The strength of a market in terms of its ability to attract events, attract patrons and generate revenues is measured, to some extent, by the size of the regional market area population, its income characteristics and other demographic and socioeconomic factors. The following is a summary of key characteristics of the local and regional market:

- The Las Vegas CBSA is home to approximately two million residents with median income levels that are comparable to the U.S. as a whole. Although Las Vegas has a slightly higher unemployment rate than the nation as a whole, its cost of living is slightly lower than the national average, and the percentage of households with a median income in excess of $100,000 is nearly double the national average.
- In general, Las Vegas' population, corporate base and income characteristics rank average or above-average when compared to other Mountain West Conference and Pac-12 Conference markets.
- Known as the "Entertainment Capital of the World", Las Vegas attracts approximately 40 million visitors annually, including 5.1 million convention attendees. Gaming revenue in Clark County totaled approximately $9.7 billion in 2013.
- There are approximately 151,000 hotel rooms in Las Vegas, which are occupied approximately 84 percent of the time.
- Although there are currently a number of entertainment venues in Las Vegas, the market currently lacks a state-of-the-art venue capable of hosting large-scale events that attract crowds in excess of 40,000.
- It is envisioned that a new stadium would complement the portfolio of existing venues in the Las Vegas area, as there will be minimal competition to host the same type of events.

COMPARABLE FACILITY ANALYSIS

An assessment of the physical, operational and financial characteristics of newly constructed/renovated NFL and collegiate stadiums were reviewed to provide a benchmark from which to assess the market potential for the proposed stadium in Las Vegas. Key characteristics of newly constructed/renovated NFL and collegiate stadiums include the following:

- On average, comparable NFL stadiums opened in 2008, while the average collegiate stadium opened in 2011.
- Overall, the NFL stadiums have a larger average seating capacity (70,017) and total square footage (1.8 million) than collegiate stadiums, which have an average seating capacity and total square footage of 47,353 and 678,000, respectively.
- Given their larger size, generally higher level of finish and larger number that are enclosed/retractable, the cost to construct an NFL stadium can be as much as four-times higher than the average cost to construct a collegiate stadium. It should be noted that the cost to construct new state-of-the-art collegiate stadiums can approximate $300 million to $450 million (ie TCF Bank Stadium at the University of Minnesota and a major renovation to Kyle Field at Texas A&M University) excluding site and infrastructure cost.
- On average, NFL stadiums receive a significantly higher level of funding from the public sector (ie tax revenues) than collegiate stadiums, which are generally funded via major fundraising campaigns and other philanthropic endeavors. It should be noted that recent new, state-of-the-art collegiate stadiums have received increasing levels of public participation, including 45 percent ($136 million) of the funding of TCF Bank Stadium in Minneapolis.
- NFL stadiums have an average of 169 luxury suites that cost approximately $202,000 annually and approximately 9,800 club seats that cost approximately $2,700 per year. Collegiate stadiums have an average suite inventory of 40 ($44,000 annual cost) and club seat inventory of approximately 2,100 ($1,500 annual cost). Given their large suite inventories, comparable NFL stadiums do not have loge boxes, while collegiate stadiums have an average loge box inventory of approximately 55, four-seat boxes ($10,200 annual cost). Based on past collegiate stadium experience, loge boxes are the first premium products to sell out, and many universities have indicated that they wish they had built more loge boxes as part of their building programs.
- Although a limited number of NFL stadiums host a significant number of third party events (i.e. AT&T Stadium), the majority host a limited number of major events annually, and are mainly built to accommodate 10 home football games per year. In general, comparable collegiate stadiums also host a very limited number of third party events annually and are generally configured to accommodate between six and seven home football games per year.

MARKET SURVEYS

A total of approximately 2,100 email surveys were completed with UNLV Athletic and University constituents, and Chamber members to determine opinions and potential interest in attending events and purchasing tickets in a new stadium. In addition, approximately 350 email surveys were completed with members of the student body in order to understand how a new stadium could impact their attendance at UNLV home football games. Key findings include:

- Overall, UNLV constituents and Chamber members attend approximately 1.8 home football games each year. The average UNLV student attends approximately three games per year.
- The most commonly cited reason for not attending more UNLV home games by UNLV constituents and Chamber members was an inconvenient stadium location, followed by team performance, living too far away, traffic congestion, and time conflicts. Students most commonly cited an inconvenient stadium location, followed by time/school conflicts, team performance, no interest in football, and traffic congestion.
- Overall, approximately 83 percent of UNLV constituents and Chamber members and 66 percent of students have a positive attitude towards the development of a new stadium.
- Approximately 63 percent of UNLV constituents and Chamber members and 66 percent of students indicated they would attend more UNLV home football games in a new multi-purpose on-campus football stadium.
- Nearly all survey respondents indicated an interest in attending other events at a new stadium. Respondents were most interested in attending concerts, NFL football games, other college football games, and family shows.
- In general, respondents preferred an enclosed stadium (retractable roof or domed) over an open-air stadium.
- Overall, approximately 38 percent of survey respondents indicated an initial interest in premium seating options in a new stadium.
- It is estimated that a new stadium could potentially support 1,500 to 3,000 club seats, 20 to 30 loge boxes, and 50 to 60 luxury suites.

ESTIMATED DEMAND

In order to determine demand for new events that will draw incremental visitors to the area, as well as meeting the needs of existing user groups, an extensive number of interviews were conducted with a variety of external groups representing a wide-variety of events and activities, as well as internal university constituent groups. Based on the analysis conducted, there is a need in the local marketplace for a new state-of-the-art stadium capable of hosting large-scale events in Las Vegas. The following table presents a summary of the potential of three stadium development scenarios (a state-of-the-art collegiate stadium, open-air stadium and enclosed stadium) to host events that draw incremental visitors to the area:

Estimated New Stadium Utilization

YEAR ONE EVENTS

	Domed Stadium			Open Air Stadium			State-of-the-Art Collegiate Option		
Event Type	Total # of Events	Average Attendance	Total Attendance	Total # of Events	Average Attendance	Total Attendance	Total # of Events	Average Attendance	Total Attendance
International Soccer	2	40,000	80,000	1	40,000	40,000	1	40,000	40,000
Concerts	2	40,000	80,000	1	35,000	35,000	1	30,000	30,000
Rugby	4	23,000	92,000	4	23,000	92,000	4	23,000	92,000
Las Vegas Bowl	1	50,000	50,000	1	50,000	50,000	1	45,000	45,000
New Bowl Game	1	50,000	50,000	0	--	--	0	--	--
Neutral Site CFB Game	2	50,000	100,000	1	50,000	50,000	1	45,000	45,000
Catered Events	100	500	50,000	75	500	37,500	75	500	37,500
Motorsports	3	45,000	135,000	3	45,000	135,000	3	40,000	120,000
Combatives (i.e. Boxing, UFC)	2	42,000	84,000	0	--	--	0	--	--
Other	4	45,000	180,000	0	--	--	0	--	--
UNLV Football	6	38,000	228,000	6	38,000	228,000	6	38,000	228,000
TOTAL	**127**		**1,123,000**	**92**		**669,000**	**92**		**637,500**
TOTAL (Excluding catered events/UNLV football)	**21**		**845,000**	**11**		**404,000**	**11**		**372,000**

- It is estimated that a new enclosed stadium could host approximately 127 events drawing 1.1 million attendees for UNLV football, international soccer, concerts, collegiate bowl games, neutral site college football games, motorsports, combative sporting events, and catered events. Excluding catered events and UNLV football, the facility would host 21 events annually, drawing approximately 845,000 attendees.

- A new open-air stadium could host approximately 92 events drawing 669,000 attendees for UNLV football, international soccer, concerts, the Las Vegas Bowl, neutral site college football games, motorsports, combative sporting events, and catered events. Excluding catered events and UNLV football, the facility is projected to host 11 events annually, drawing approximately 404,000 attendees.

- It is estimated that a new state-of-the-art collegiate stadium could host approximately 92 events drawing 638,000 attendees. Excluding catered events and UNLV football, the facility is projected to host 11 events annually, drawing approximately 372,000 attendees.

- It should be noted that the development of a proposed soccer-specific stadium is currently being considered in downtown Las Vegas. A new stadium's ability to host soccer matches and other related events could be negatively impacted should plans to construct the soccer-specific stadium move forward.

BUILDING PROGRAM & COST

Based on the need for a new state-of-the-art stadium in Las Vegas to host large-scale events and the resulting estimated utilization, the following table presents a summary of the total project costs of each potential stadium type:

	State-of-the-Art Collegiate Option	Las Vegas Open-Air	Las Vegas Domed
Total Square Footage	860,000	900,000	900,000
Total Seating Capacity	45,000	50,000 - 55,000	50,000 - 55,000
TOTAL PROJECT COSTS ($MM)			
Hard Construction Costs	$342.0	$449.0	$592.5
Soft Costs	$80.9	$106.2	$140.1
Site & Infrastructure	$100.0	$100.0	$100.0
Total Stadium Project Costs	$522.9	$655.2	$832.6

Note: Total costs presented herein include land and parking costs.

Overall, it is estimated that project costs could total approximately $522.9 million to construct a state-of-the-art collegiate stadium, approximately $655.2 million to construct an open-air stadium and approximately $832.6 million to construct a domed stadium in Las Vegas. Based on additional analyses conducted by the project team it is estimated that upwards of $50 million in additional costs would need to be added to a new state-of-the-art collegiate stadium, and between $25 and $35 million to an open air stadium, to make it efficiently and expeditiously modified at a future date with a fixed roof.

FINANCIAL PROJECTIONS

The following table presents a summary of the estimated operating revenues and expenses associated with the various potential stadium development scenarios in Las Vegas.

Estimated Financial Operations
Proposed New Stadium Scenarios

	State-of-the-Art Collegiate Stadium		Open-Air Stadium		Enclosed Stadium	
	Year 1	**Year 5**	**Year 1**	**Year 5**	**Year 1**	**Year 5**
Revenues						
Rentals / Ticket Sales	$1,813,000	$2,040,000	$1,813,000	$2,040,000	$3,617,000	$4,071,000
Naming Rights	2,550,000	3,100,000	3,000,000	3,647,000	3,450,000	4,035,000
Sponsorship	2,550,000	2,983,000	3,000,000	3,509,000	3,450,000	3,883,000
Luxury Suites	2,126,000	2,387,000	2,126,000	2,387,000	5,523,000	6,068,000
Loge Boxes	245,000	318,000	245,000	318,000	524,000	635,000
Club Seats	2,921,000	3,288,000	2,921,000	3,288,000	2,921,000	3,288,000
Food & Beverage	1,214,000	1,366,000	1,272,000	1,375,000	2,459,000	2,698,000
Merchandise	344,000	387,000	362,000	407,000	842,000	948,000
Ticket Fees	1,246,000	1,583,000	1,318,000	1,977,000	3,292,000	4,938,000
Total Revenues	**$15,009,000**	**$17,452,000**	**$16,057,000**	**$18,948,000**	**$26,078,000**	**$30,564,000**
Expenses						
Labor	$2,028,000	$2,239,000	$2,253,000	$2,487,000	$2,253,000	$2,487,000
General & Administrative	407,000	448,000	452,000	498,000	452,000	498,000
Operations	2,709,000	2,984,000	3,010,000	3,316,000	3,285,000	3,619,000
Utilities	1,152,000	1,346,000	1,280,000	1,495,000	3,030,000	3,543,000
Insurance	201,000	213,000	231,000	245,000	384,000	407,000
Total Expenses	**$6,497,000**	**$7,230,000**	**$7,226,000**	**$8,041,000**	**$9,404,000**	**$10,554,000**
NET INCOME / (LOSS)	**$8,512,000**	**$10,222,000**	**$8,831,000**	**$10,907,000**	**$16,674,000**	**$20,010,000**

State-of-the-Art Collegiate Stadium

It is estimated that the proposed state-of-the-art collegiate stadium in Las Vegas could generate revenues of approximately $15.0 million and incur approximately $6.5 million in expenses, resulting in net income of approximately $8.5 million before debt in the first year of operations. In the fifth year of operations, it is estimated that a new state-of-the-art collegiate stadium in Las Vegas could generate revenues of approximately $17.5 million and incur approximately $7.2 million in expenses, resulting in net income of approximately $10.2 million before debt.

Open-Air Stadium

It is estimated that a new open-air stadium, larger and more elaborate than the state-of-the-art collegiate stadium, in Las Vegas could generate revenues of approximately $16.1 million and incur approximately $7.2 million in expenses, resulting in net income of approximately $8.8 million before debt in the first year of operations. In the fifth year of operations, it is estimated that a new open-air stadium in Las Vegas could generate revenues of approximately $18.9 million and incur approximately $8.0 million in expenses, resulting in net income of approximately $10.9 million before debt.

Enclosed Stadium

It is estimated that a new enclosed stadium in Las Vegas could generate revenues of approximately $26.1 million and incur approximately $9.4 million in expenses, resulting in net income of approximately $16.7 million before debt in the first year of operations. In the fifth year of operations, it is estimated that a new enclosed stadium in Las Vegas could generate revenues of approximately $30.6 million and incur approximately $10.6 million in expenses, resulting in net income of approximately $20.0 million before debt.

ECONOMIC & FISCAL IMPACTS

The construction and annual operations of the proposed stadium in Las Vegas can provide quantifiable benefits to an area.

Construction Period Impacts

The table below summarizes the net new economic impacts anticipated to be generated to Clark County by the construction of an open-air and enclosed stadium.

Construction Period Impacts Stadium Development Scenarios		
Net New Impact	**Open-Air Stadium**	**Enclosed Stadium**
Direct Spending	$341,674,000	$431,567,000
Total Output	$587,764,000	$739,065,000
Employment (FTEs)	4,559	5,708
Income	$290,046,000	$366,265,000

The one-time net new economic impacts estimated to be associated with the construction of an open-air stadium in Las Vegas include approximately $342 million in direct spending, $588 million in total output and 4,559 full and part-time jobs and $290 million in personal earnings. Net new impacts associated with the development of an enclosed stadium in Las Vegas include approximately $432 million in direct spending, $739 million in total output, 5,708 full and part-time jobs and $366 million in personal earnings.

Annual Operations Impacts

The table below summarizes the net new combined on-site and off-site economic impacts anticipated to be generated to Clark County by the annual operations of an open-air and enclosed stadium (net of existing Sam Boyd Stadium impacts).

Annual Operations Impacts Stadium Development Scenarios		
Net New Impact	**Open-Air Stadium**	**Enclosed Stadium**
Direct Spending	$174,464,000	$428,359,000
Total Output	$275,632,000	$676,748,000
Employment (FTEs)	2,550	6,267
Income	$110,075,000	$270,427,000

Net new impacts from annual operations of an open-air stadium are estimated to generate $174 million in net new direct spending, $276 million in total output, 2,550 full and part-time jobs and $110 million in personal earnings.

Net new impacts from annual operations of an enclosed stadium are estimated to generate $428 million in net new direct spending, $677 million in total output, 6,267 full and part-time jobs and $270 million in personal earnings.

Fiscal Impacts

In addition to the direct spending, total output, employment and income impacts discussed herein, the construction and annual operations of a new stadium in Las Vegas could generate additional benefits to the local area in the form of increased tax revenues. Overall, it is estimated that annual net new fiscal benefits associated with the development of an enclosed and open-air stadium in Las Vegas could total approximately $37.1 million and $15.0 million, respectively. The following table provides a detailed summary of the net new fiscal impacts estimated to be generated to the local and regional area on an annual basis by type.

Annual Fiscal Benefits Analysis Stadium Comparison (net of SBS)		
Type of Tax	Open-Air Stadium	Domed Stadium
State Sales Tax	$1,651,000	$4,079,000
County Sales Tax	$5,037,000	$12,441,000
Proposed CFD Sales Tax	$743,000	$1,836,000
Live Entertainment Tax	$648,000	$1,629,000
Modified Business Tax	$4,700	$4,700
Hotel Tax	$2,012,000	$4,971,000
NV General Fund Gaming Tax	$4,820,000	$11,906,000
Car Rental Taxes & Fees	$85,000	$210,000
TOTAL	**$15,001,000**	**$37,077,000**

FUNDING ANALYSIS

Based on the analyses conducted herein, the following graphic presents a summary of the annual debt service required to fund construction of each stadium type, as well as the minimum sales tax rate necessary to generate sufficient revenues to cover debt service.

	State-of-the-Art Collegiate Option	Las Vegas Open-Air	Las Vegas Domed
TOTAL PROJECT COSTS ($MM)			
Construction Costs	$342.0	$449.0	$592.5
Soft Costs	$80.9	$106.2	$140.1
Site & Infrastructure	$100.0	$100.0	$100.0
Total Stadium Project Costs	$522.9	$655.2	$832.6
ANNUAL DEBT SERVICE			
Maximum Annual Debt Service for G.O. Bonds	$33,400,000	$41,450,000	$52,600,000
Maximum Annual Debt Service for Revenue Bonds	$52,200,000	$67,900,000	$86,250,000
G.O. BONDS 1.00 COVERAGE			
Minimum Sales Tax Rate if CFD	8.461%	8.552%	8.674%
Minimum Sales Tax Rate if Clark County wide	8.204%	8.230%	8.264%
REVENUE BONDS 1.50 COVERAGE			
Minimum Sales Tax Rate if CFD	8.691%	8.840%	9.041%
Minimum Sales Tax Rate if Clark County wide	8.269%	8.312%	8.370%

Note: Total costs presented herein include land costs as well as on site parking costs.

It is estimated that the maximum annual debt service for general obligation bonds could range between $33.4 million and $52.6 million, depending on stadium type. In addition, the maximum annual debt service for revenue bonds could range between $52.2 million and $86.3 million, depending on stadium type.

General obligation bonds could require a minimum sales tax rate of between 8.204% and 8.674%, depending on whether the tax applies within the community facilities district or within Clark County. Revenue bonds could require a minimum sales tax rate of between 8.269% and 9.041%, depending on whether the tax applies within the community facilities district or within Clark County.

STUDY CONCLUSION

Based on the extensive research and analyses conducted herein, there is a demonstrated need for a new 45,000-seat, state-of-the-art collegiate stadium in Las Vegas on the campus of UNLV to host large-scale events that would draw incremental visitors to the local area, as well as contribute to the overall mission of UNLV. Given the recommended size and scope of the project, it is estimated that the stadium development could cost approximately $523 million, and it is envisioned that as much as 80 percent is to be funded with incremental sales tax revenues.

Although the research and analyses has resulted in a demonstrated need for a new stadium in Las Vegas, members of the CIAB recognize the multitude of other needs that currently exist in Las Vegas that also require significant investment from the community and/or state, including:

- Increased public safety, education, healthcare and transportation services and infrastructure;
- UNLV Hospitality Hall;
- Tier One including UNLV Medical School;
- LVCVA Master Plan renovation and expansion of the Las Vegas Convention Center, Las Vegas Global Business District; and,
- Other civic and higher education needs.

Given the existing need in Las Vegas for a multitude of community, state and university resources, the CIAB has adopted the following resolutions:

Resolution A

1.0 WHEREAS, in 2013 the Nevada State Legislature adopted Assembly Bill 335 (AB 335) sponsored by the Speaker of the Assembly and approved by the Governor thus creating enabling legislation for the formation of the Campus Improvement Authority Board (CIAB) as a public body to study the need for, feasibility of and financing alternatives for a large events center (stadium) and other required infrastructure and supporting improvements in the Authority area; and

2.0 WHEREAS, the Board of Regents of the Nevada System of Higher Education (Board of Regents) appointed its members before the designated deadline, thus creating the CIAB; and

3.0 WHEREAS, the CIAB has been meeting as a public body since October of 2013, complying with Nevada's Open Meeting Law requirements, and analyzing the need for, feasibility of and financing alternatives for a stadium and other required infrastructure and supporting improvements.

4.0 **NOW, THEREFORE, BE IT RESOLVED,** that the CIAB has approved its final report, complete with specific recommendations and supporting materials, and will submit this report to the Director of the Legislative Counsel Bureau by Sept. 30, 2014, all as required by AB 335.

Resolution B

1.0 WHEREAS, the vision of UNLV is to become a Tier One – Carnegie Research Very High – institution with athletic, academic and campus experience consistent with its aspirational peers; and

2.0 WHEREAS, Tier One universities are research focused with overall academic excellence, attract the brightest and best students and faculty, are committed to student success, receive more federal grants and generate more economic development for the community and the state; and

3.0 WHEREAS, UNLV's goals as a university include elevating our academic and student success, research, and athletics programs. A large events center (stadium) connected to the campus, or as an extension of the campus, is consistent with this vision and master plan and necessary for the long-term success of UNLV athletics; and

4.0 WHEREAS, Sam Boyd Stadium (formerly known as the Silver Bowl) has been an excellent facility to serve the needs of UNLV and Southern Nevada for more than four decades, but is limited by its location and capabilities to fully support the future needs of UNLV, the community and the growth of special events that attract incremental tourists; and

5.0 WHEREAS, like the Thomas & Mack Center (T&M) did for UNLV basketball, a new stadium will improve the recruiting and enhance the competitiveness and financial performance of UNLV football and bring all of UNLV's athletics programs on campus or an extension of campus; and

6.0 WHEREAS, the T&M provides a good example of how a neutral site facility for special events benefits both the university and community as a whole; and

7.0 WHEREAS, as a stadium is an integral part of the campus and it will enhance the experience for students, faculty, visitors and community as a whole, and

8.0 WHEREAS, a sound financial operating model can provide net operating revenue from the stadium to support the academic mission of the university much as the T&M has for the athletic mission of the university; and

9.0 WHEREAS, a stadium close to the world famous resort corridor (The Strip) will enhance the visibility of UNLV and its recruiting of students and faculty and will also enhance the community as a whole; and

10.0 WHEREAS, Las Vegas attracts 40 million visitors annually with a full range of activities and events; but does not have a state-of-the-art venue to host events requiring more than 40,000 seats.

11.0 NOW, THEREFORE, BE IT RESOLVED, that there is a clearly established need for a new stadium on the UNLV campus, or as an extension of the campus, and close to The Strip; and

12.0 FURTHER RESOLVED, that a new stadium will host football games, special events and other activities that benefit UNLV, and the community as a whole.

Resolution C

1.0 WHEREAS, a new large events center (stadium) must be a public private partnership that includes UNLV and the community as a whole; and

2.0 WHEREAS, the CIAB received input from the tourism industry, the live entertainment industry, and the broader community to understand the potential need for and benefits of a stadium; and

3.0 WHEREAS, economic models developed for the stadium take into account any substitution of visitors, as the focus of the facility must be on meeting the needs of UNLV and increasing the number of special events and/or visitors to Las Vegas and Southern Nevada as a whole, as well as retaining any financially beneficial events that may otherwise leave; and

4.0 WHEREAS, a new stadium located on the UNLV campus, or as an extension of the UNLV campus, and located in proximity to The Strip capitalizes on the Las Vegas brand and uniqueness of the market; and

5.0 WHEREAS, a new stadium will complement the portfolio of existing venues, including privately funded venues, in the Las Vegas area; and

6.0 WHEREAS, a new stadium shall be utilized as a neutral site venue to retain and attract special events much the same way the T&M has attracted new business such as the NBA Summer League, USA Basketball, the PBR World Finals and the National Finals Rodeo; and

7.0 WHEREAS, a new stadium will provide employment and generate a significant economic benefit for Clark County and the state.

8.0 **NOW, THEREFORE, BE IT RESOLVED,** that for a new stadium to be feasible it must bring together the university and community as a whole in the form of a public-private partnership that most effectively serves the needs of all stakeholders.

Resolution D

1.0 WHEREAS, the CIAB has the authority to develop recommendations for a large events center (stadium) including without limitation, the type and general design of the center and the approximate number of seats to be included in the center; and

2.0 WHEREAS, the CIAB also has authority to calculate a preliminary cost for construction of such a stadium and other required land and infrastructure (including, without limitation, parking and traffic mitigation) and supporting improvements to the extent money is available for this purpose; and

3.0 WHEREAS, the CIAB has considered all types of facilities ranging from basic open air stadiums to elaborate, fully enclosed stadiums and stadiums with retractable roofs; and

4.0 WHEREAS, members of the CIAB analyzed stadiums that host college and professional football teams and other special events, and

5.0 WHEREAS, select members of the CIAB toured recently constructed facilities in Texas to get firsthand experience of the various designs and accompanying features associated with state-of-the art modern stadiums; and

6.0 WHEREAS, the CIAB ultimately focused its efforts on a more narrow range of options from a state-of-the-art collegiate stadium, to a larger and more extensive open-air model to a domed or enclosed stadium (even giving some consideration to an open air structure to accommodate a dome at a later date); and

7.0 WHEREAS, to meet the current and aspirational needs at UNLV and the needs of the community to host large events at a neutral site, at a minimum, the facility should be a state-of-the-art open air collegiate stadium on campus or an extension of campus and have approximately 45,000 seats, and include a shading system that enhances the fan experience in summer months; and

8.0 WHEREAS, the CIAB was provided analysis as to the approximate cost of such a facility and related infrastructure of $523 million, of which the all-in cost of the stadium is $423 million and $100 million is related to the site and infrastructure costs; and

9.0 WHEREAS, some members expressed a desire for an enclosed/domed facility; and

10.0 WHEREAS, the CIAB was provided analysis of a larger, more extensive open air state-of-the-art collegiate stadium along with a domed or enclosed stadium but both models were deemed to not be feasible at this time.

11.0 **NOW, THEREFORE, BE IT RESOLVED,** based on existing conditions that the stadium could be a state-of-the-art, open air collegiate stadium which includes a shading system and has approximately 45,000 seats.

Resolution E

1.0 WHEREAS, the CIAB analyzed financing alternatives for a large events center (stadium) and other required infrastructure and supporting improvements; and

2.0 WHEREAS, that a state-of-the-art collegiate stadium can be financially viable with a model that includes public financing; and

3.0 WHEREAS, private funding, including philanthropy, will be required for the stadium to be financially viable and integrated into the UNLV campus masterplan; and

4.0 WHEREAS, UNLV has several significant initiatives and needs as part of its vision to become a Tier One - Carnegie Research Very High - university; and

5.0 WHEREAS, the proposed stadium is among those significant initiatives, along with a proposed public medical school, a new academic building for its Hotel College, and other needs being defined under its "Path to Tier One" planning process; and

6.0 WHEREAS, the CIAB members clearly recognize that there are many other public needs in Las Vegas and the broader Southern Nevada community; and

7.0 WHEREAS, both UNLV's and the community's initiatives and needs will require public and private funding and non-financial resources to properly address them; and

8.0 WHEREAS, the region's economy continues to improve from the "great recession," but it remains challenged; and

9.0 WHEREAS, public revenue streams have not fully recovered and there is uncertainty regarding the local and state tax structure; and

10.0 WHEREAS, multiple proposals for new sports facilities, with consideration of public funding, add uncertainty to the dialogue concerning these facilities.

11.0 **NOW,THEREFORE, BE IT RESOLVED,** that development and funding of a new stadium is not feasible at this time.

Resolution F

1.0 WHEREAS, AB 335 restricts the CIAB to study the need for, feasibility of and financing alternatives for a large events center (stadium) within the Authority area with the boundaries defined as Maryland Parkway, Tropicana Avenue, Swenson street and Flamingo Avenue; and

2.0 WHEREAS, UNLV officials have determined the original site on the northeast corner of Harmon Avenue and Swenson Avenue is not feasible due to flight operational issues associated with the Federal Aviation Administration and McCarran International Airport; and

3.0 WHEREAS, UNLV officials have identified alternative sites with one location on campus and an additional location near the university that could be an extension of the campus; and

4.0 WHEREAS, AB 335 provides the CIAB to recommend legislative action that may be required further for the development of a stadium.

5.0 NOW, THEREFORE, BE IT RESOLVED, the CIAB recommends that the Legislature allow consideration of alternative sites that can be considered an extension to the current UNLV campus.

Resolution G

1.0 WHEREAS, the CIAB recognizes that pursuant to AB 335 that the operating authority of the Board expires on or before Sept. 30, 2015; and

2.0 WHEREAS, the CIAB recognizes that pursuant to AB 335, the Legislature limited the scope of the CIAB; and

3.0 WHEREAS, the CIAB recognizes the need to continue the CIAB with a longer timeline and broader scope to continue work on a new stadium if authorized by the relevant public entities; and

4.0 WHEREAS, the work performed by the CIAB provides a strong foundation for consideration of a stadium to be pursued at a later date.

5.0 NOW, THEREFORE, BE IT RESOLVED, that the CIAB requests the Legislature to enact legislation to continue the CIAB through the 2017 Legislative Session by extending the authorization of the CIAB from the current September 30, 2015 to September 30, 2017; and

6.0 FURTHER RESOLVED, that the CIAB requests the Legislature to include in the legislation the appointment/re-appointment of members, a mandate for the CIAB's continued work, and a timeline for that work to be completed.

10 FINANCIAL PROJECTIONS

The purpose of this section is to present estimated operating revenues and expenses for a new stadium. Since facility design and configuration have not yet been completed, the assumptions used in this analysis are based on the results of the market analysis, industry trends, knowledge of the marketplace and financial results from comparable facilities. Additional physical development planning must be completed before more precise estimations of the proposed stadium's operating costs can be made. Also, upon completion of preliminary planning, revenue and expense assumptions should be updated to reflect changes to the assumptions made herein. These changes could significantly influence the analysis of future operating results.

This presentation is designed to assist project representatives in estimating the financial attributes of a new stadium in Las Vegas and cannot be considered to be a presentation of expected future results. Accordingly, this analysis may not be useful for any other purpose. There will be differences between estimated and actual results that may be material.

Key assumptions used to estimate the potential financial operations of a new stadium in Las Vegas include, but are not limited to the following. The assumptions disclosed herein are not all-inclusive, but are those deemed to be significant.

- The domed stadium scenario will contain approximately 50,000 to 55,000 total seats, including five founder's suites (120 seats), 45 luxury suites (720 seats), and 2,500 club and loge seats;
- The open-air stadium scenario will contain approximately 50,000 to 55,000 total seats, including 50 luxury suites (800 seats), and 2,500 club and loge seats;
- The state-of-the-art collegiate stadium scenario will contain approximately 45,000 total seats, including 50 luxury suites (800 seats), and 2,500 club and loge seats;
- Net rental income is based upon industry standards, project team experience in similar markets/ facilities, and market research;
- Merchandise is assumed to be handled in-house, with net profit margin assumed to be 10 to 15 percent (based upon industry averages);
- No parking assumptions have been included in this financial analysis;
- Facility fees are assumed to be $2.00 per ticket for all events;
- Revenues are grown at three percent annually;
- All operating expenses are based upon project team experience in similar facilities, and assume most services handled on an in-house basis or sub-contracted;

- Insurance expenses are based on project team's industry clout and leverages policy rates, and are grown at three percent annually;
- Utilities are assumed to grow at four percent annually;
- Expenses are grown at 2.5 percent annually;
- Payroll burden is assumed to represent 30 percent of all expenses and is grown at 2.5 percent annually;
- The stadium would be owned by a public entity, such as UNLV or the LVCVA, and would be exempt from property taxes;
- The stadium will be managed by a competent, professional management team;
- The stadium will be aggressively marketed, providing competitive guarantees and, where applicable, rental rates;
- The market will generate spending on tickets, concessions, merchandise, advertising, sponsorships and premium seating that is consistent with the recent history of other comparable new stadiums;
- No assumptions have been made regarding revenues that could be generated should the stadium host any events outside of those presented herein;
- There are no significant or material changes in the supply or quality of existing venues in the marketplace; and,
- The revenues and expenses presented herein are inclusive of revenues generated by the stadium, tenant events and other events as previously outlined.

It should be noted that the revenue and expense estimates presented herein are presented in 2014 dollars.

SUMMARY OF OPERATING REVENUES AND EXPENSES

The following table presents a summary of the projected events and attendance for a new stadium in Las Vegas. These projections are based upon analyses of the local market in Las Vegas and the operations of other recently built stadiums. It should be noted that the estimated utilization for the state-of-the-art collegiate, open-air and closed roof scenarios have been presented herein.

Estimated New Stadium Utilization

YEAR ONE EVENTS

	Domed Stadium			Open Air Stadium			State-of-the-Art Collegiate Option		
Event Type	Total # of Events	Average Attendance	Total Attendance	Total # of Events	Average Attendance	Total Attendance	Total # of Events	Average Attendance	Total Attendance
International Soccer	2	40,000	80,000	1	40,000	40,000	1	40,000	40,000
Concerts	2	40,000	80,000	1	35,000	35,000	1	30,000	30,000
Rugby	4	23,000	92,000	4	23,000	92,000	4	23,000	92,000
Las Vegas Bowl	1	50,000	50,000	1	50,000	50,000	1	45,000	45,000
New Bowl Game	1	50,000	50,000	0	--	--	0	--	--
Neutral Site CFB Game	2	50,000	100,000	1	50,000	50,000	1	45,000	45,000
Catered Events	100	500	50,000	75	500	37,500	75	500	37,500
Motorsports	3	45,000	135,000	3	45,000	135,000	3	40,000	120,000
Combatives (i.e. Boxing, UFC)	2	42,000	84,000	0	--	--	0	--	--
Other	4	45,000	180,000	0	--	--	0	--	--
UNLV Football	6	38,000	228,000	6	38,000	228,000	6	38,000	228,000
TOTAL	127		1,123,000	92		669,000	92		637,500
TOTAL (Excluding catered events/UNLV football)	21		845,000	11		404,000	11		372,000

As shown above, it is estimated that a new domed stadium could host approximately 127 events drawing 1.1 million attendees for UNLV football, international soccer, concerts, collegiate bowl games, neutral site college football games, motorsports, combative sporting events, and catered events. Excluding catered events and UNLV football, the facility would host 21 major events annually, drawing approximately 845,000 attendees. Other event attendance is estimated to total approximately 68,000 per year. It is estimated that a new open-air stadium could host approximately 92 events drawing 669,000 annually. Excluding catered events and UNLV football, the facility is projected to host 11 major events annually, drawing approximately 404,000 attendees. Additionally, a state-of-the-art collegiate stadium is expected to be smaller in capacity the open-air stadium scenario, and thus attract fewer annual visitors than the proposed open-air stadium. It is estimated that a new state-of-the-art collegiate stadium could host approximately 92 events drawing 638,000 attendees. Excluding catered events and UNLV football, the facility is projected to host 11 major events annually, drawing approximately 372,000 attendees.

Based upon the estimated events and attendance, and revenue/expense assumptions discussed previously, the following table summarizes the estimated operating revenues and expenses associated with the various potential stadium development scenarios in Las Vegas.

Estimated Financial Operations
Proposed Multi-Purpose On-Campus Stadium Scenarios

	State-of-The-Art Collegiate Stadium		Open-Air Stadium		Enclosed Stadium	
	Year 1	Year 5	Year 1	Year 5	Year 1	Year 5
Revenues						
Rentals / Ticket Sales	$1,813,000	$2,040,000	$1,813,000	$2,040,000	$3,617,000	$4,071,000
Naming Rights	2,550,000	3,100,000	3,000,000	3,647,000	3,450,000	4,035,000
Sponsorship	2,550,000	2,983,000	3,000,000	3,509,000	3,450,000	3,883,000
Luxury Suites	2,126,000	2,387,000	2,126,000	2,387,000	5,523,000	6,068,000
Loge Boxes	245,000	318,000	245,000	318,000	524,000	635,000
Club Seats	2,921,000	3,288,000	2,921,000	3,288,000	2,921,000	3,288,000
Food & Beverage	1,214,000	1,366,000	1,272,000	1,375,000	2,459,000	2,698,000
Merchandise	344,000	387,000	362,000	407,000	842,000	948,000
Ticket Fees	1,246,000	1,583,000	1,318,000	1,977,000	3,292,000	4,938,000
Total Revenues	**$15,009,000**	**$17,452,000**	**$16,057,000**	**$18,948,000**	**$26,078,000**	**$30,564,000**
Expenses						
Labor	$2,028,000	$2,239,000	$2,253,000	$2,487,000	$2,253,000	$2,487,000
General & Administrative	407,000	448,000	452,000	498,000	452,000	498,000
Operations	2,709,000	2,984,000	3,010,000	3,316,000	3,285,000	3,619,000
Utilities	1,152,000	1,346,000	1,280,000	1,495,000	3,030,000	3,543,000
Insurance	201,000	213,000	231,000	245,000	384,000	407,000
Total Expenses	**$6,497,000**	**$7,230,000**	**$7,226,000**	**$8,041,000**	**$9,404,000**	**$10,554,000**
NET INCOME / (LOSS)	**$8,512,000**	**$10,222,000**	**$8,831,000**	**$10,907,000**	**$16,674,000**	**$20,010,000**

State-of-the-Art Collegiate Stadium

It is estimated that the proposed state-of-the-art collegiate stadium in Las Vegas could generate revenues of approximately $15.0 million and incur approximately $6.5 million in expenses, resulting in net income of approximately $8.5 million before debt in the first year of operations. In the fifth year of operations, it is estimated that a new state-of-the-art collegiate stadium in Las Vegas could generate revenues of approximately $17.5 million and incur approximately $7.2 million in expenses, resulting in net income of approximately $10.2 million before debt.

Open-Air Stadium

It is estimated that a new open-air stadium in Las Vegas could generate revenues of approximately $16.1 million and incur approximately $7.2 million in expenses, resulting in net income of approximately $8.8 million before debt in the first year of operations. In the fifth year of operations, it is estimated that a new open-air stadium in Las Vegas could generate revenues of approximately $18.9 million and incur approximately $8.0 million in expenses, resulting in net income of approximately $10.9 million before debt.

Enclosed Stadium

It is estimated that a new enclosed stadium in Las Vegas could generate revenues of approximately $26.1 million and incur approximately $9.4 million in expenses, resulting in net income of approximately $16.7 million before debt in the first year of operations. In the fifth year of operations, it is estimated that a new enclosed stadium in Las Vegas could generate revenues of approximately $30.6 million and incur approximately $10.6 million in expenses, resulting in net income of approximately $20.0 million before debt.

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ECONOMIC & FISCAL IMPACT ANALYSIS

While many of the perceived benefits of the proposed stadium in Las Vegas are intangible including providing UNLV student-athletes an enhanced competition experience and UNLV coaches a unique tool from which to recruit top talent to the football program, as well as stimulating community pride among other qualitative benefits, the construction and annual operations of the proposed stadium in Las Vegas can provide quantifiable benefits to an area.

Typically, quantifiable effects are characterized in terms of economic impacts and fiscal impacts. Economic impacts are conveyed through measures of direct spending, total output, personal earnings, and employment. Fiscal impacts denote changes in tax revenues.

The focus of this analysis is to estimate the potential net new impacts generated from the construction and operation of the proposed stadium in Las Vegas. The following key issues have been addressed in this section:

- Overview of Economic Impacts;
- Construction Period Impacts;
- Annual Operations Impacts;
- Fiscal Impacts; and,
- Non-Quantifiable Benefits.

The assumptions underlying the estimates of economic and fiscal impacts are based on the results of a market and financial analysis presented previously in this report. The results presented are for the construction period and cumulative 30-year operations impacts.

OVERVIEW OF ECONOMIC IMPACTS

Economic impacts are typically conveyed through measures of direct spending, total output, personal earnings and employment. Each of the measures of economic impact is defined below:

- **Direct spending** represents spending generated by the proposed stadium in Las Vegas including construction-related spending on labor and materials as well as spending during annual operations consisting of in-facility expenditures on tickets and rentals, premium seating, concessions, sponsorships, etc.; out-of-facility spending on hotels, food and beverages, retail, transportation, entertainment and other expenditures.

- **Total output** represents the total direct, indirect and induced spending effects generated by the proposed stadium in Las Vegas.

- **Personal earnings** represent the wages and salaries earned by employees of businesses involved with the proposed stadium in Las Vegas.

- **Employment** is expressed in terms of person years of employment and is based on project spending. Person years are defined as one year of employment, or 2,080 annual hours, and may be full- or part-time.

DIRECT SPENDING

The operation of a multi-purpose stadium can impact the local economy in a variety of ways. As outlined in the exhibit below, initial direct spending is generated during construction on materials and labor and during operations at events on tickets and rentals, premium seating, concessions, sponsorships, etc., as well as before and after events throughout local hotel, restaurant, retail and other establishments.

In order to estimate the incremental economic and fiscal impact benefits generated to the local economy, certain adjustments must be made to initial direct spending to reflect the fact that all spending is not likely to impact the local economy. The following exhibit summarizes the adjustments made to initial direct spending in order to determine net new direct spending impacting the local economy.

DIRECT SPENDING - ADJUSTMENTS

GROSS DIRECT SPENDING

CONSTRUCTION

- Materials
- Labor
- Other

EVENT REVENUES

- Ticket Sales
- Premium Stg.
- Sponsorship
- Advertising
- Concessions
- Merchandise
- Other

ANCILLARY COMMUNITY SPENDING

- Lodging
- Restaurant
- Bars
- Retail
- Entertainment
- Transit
- Services
- Other

SPENDING ADJUSTMENTS

Adjustments are made for displacement (spending that would have occurred anyway by local residents) or leakage (spending occurring outside of Las Vegas/Clark County)

NET NEW DIRECT SPENDING

Represents portion of gross spending that is new to the Las Vegas area and would not have occurred without the presence of the events held at the proposed stadium.

As illustrated in the exhibit, adjustments must be made to account for the fact that a certain amount of spending associated with the proposed stadium in Las Vegas will be made by local residents and, therefore, likely represents money already spent in the economy in another form. This is called displacement and reduces the overall net new impacts. This type of spending is not considered net new to the local economy. Additionally, not all spending associated with the proposed stadium in Las Vegas will take place in the local economy. A portion of this spending is likely to occur outside the immediate area. This is called leakage and reduces the overall impact. The economic and fiscal impacts presented in this section represent the estimated net new impacts associated with the proposed stadium in Las Vegas.

MULTIPLIER EFFECTS

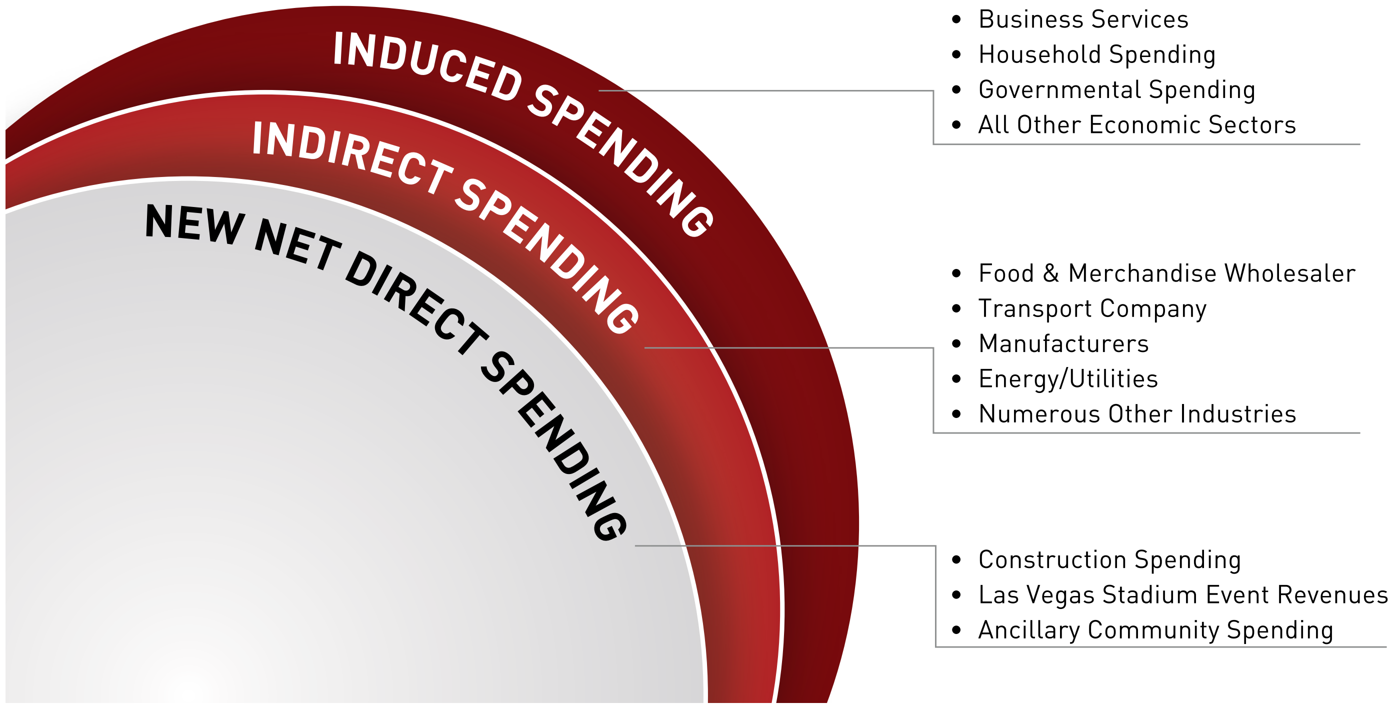
Economic impacts associated with the proposed stadium in Las Vegas will likely be further increased through re-spending of the net new direct spending. The total impact is estimated by applying an economic multiplier to initial direct spending to account for the total economic impact. The total output multiplier is used to estimate the aggregate total spending that takes place beginning with the direct spending and continuing through each successive round of re-spending.

Successive rounds of re-spending are generally discussed in terms of their indirect and induced effects on the area economy. Each is discussed in more detail as follows:

- Indirect effects consist of the re-spending of the initial or direct expenditures. These indirect impacts extend further as the dollars constituting the direct expenditures continue to change hands. This process, in principle, could continue indefinitely. However, recipients of these expenditures may spend all or part of it on goods and services outside the market area, put part of these earnings into savings, or pay taxes. This spending halts the process of subsequent expenditure flows and does not generate additional spending or impact within the community after a period of time. This progression is termed leakage and reduces the overall economic impact. Indirect impacts occur in a number of areas including the following:
    - wholesale industry as purchases of food and merchandise products are made;
    - transportation industry as the products are shipped from purchaser to buyer;
    - manufacturing industry as products used to service the sports complex, vendors and others are produced;
    - utility industry as the power to produce goods and services is consumed; and,
    - other such industries.
- Induced effects consist of the positive changes in spending, employment, earnings and tax collections generated by personal income associated with the operations of a sports complex. Specifically, as the economic impact process continues, wages and salaries are earned, increased employment and population are generated, and spending occurs in virtually all business, household and governmental sectors. This represents the induced spending impacts generated by direct expenditures.

The concept of direct, indirect and induced spending is further illustrated below.

THE MULTIPLIER EFFECT



The appropriate multipliers to be used are dependent upon certain regional characteristics and also the nature of the expenditure. An area which is capable of producing a wide range of goods and services within its border will have high multipliers, a positive correlation existing between the self-sufficiency of an area's economy and the higher probability of re-spending occurring within the region. If a high proportion of the expenditures must be imported from another geographical region, lower multipliers will result.

The multiplier estimates used in this analysis are based on the IMPLAN system. IMPLAN, which stands for Impact Analyses and Planning, is a computer software package that consists of procedures for estimating local input-output models and associated databases. Input-output models are a technique for quantifying interactions between firms, industries and social institutions within a local economy.

IMPLAN was originally developed by the U.S. Forest Service in cooperation with the Federal Emergency Management Agency and the U.S. Department of the Interior's Bureau of Land Management to assist in land and resource management planning. Since 1993, the IMPLAN system has been developed under exclusive rights by the Minnesota Implan Group, Inc. which licenses and distributes the software to users. Currently, there are hundreds of licensed users in the United States including universities, government agencies, and private companies.

The economic data for IMPLAN comes from the system of national accounts for the United States based on data collected by the U. S. Department of Commerce, the U.S. Bureau of Labor Statistics, and other federal and state government agencies. Data are collected for 440 distinct producing industry sectors of the national economy corresponding to the Standard Industrial Categories (SICs).

FISCAL IMPACTS

In addition to the economic impacts generated by the proposed stadium in Las Vegas throughout the market area, the public sector also benefits from increased tax revenues. In preparing estimates of fiscal impacts, total tax revenues attributable to the direct spending generated by the development were estimated. In addition, estimates of the effect of total output and earnings on the tax collections have been estimated. Tax revenues are based on the current applicable tax rates. Future changes in these rates would have an impact on the resulting tax collections. The sources of tax revenue focused on in this report are outlined below:

- State of Nevada Sales Tax;
- Clark County Sales Tax;
- Proposed Community Facilities District Sales Tax;
- Live Entertainment Tax;
- Modified Business Tax;
- Hotel Tax;
- Nevada General Fund Gaming Tax; and,
- Car Rental Taxes & Fees.

CONSTRUCTION PERIOD IMPACTS

The table below summarizes the net new economic impacts anticipated to be generated to Clark County by the construction of an open-air and enclosed stadium.

Construction Period Impacts Stadium Development Scenarios		
Net New Impact	**Open-Air Stadium**	**Enclosed Stadium**
Direct Spending	$341,674,000	$431,567,000
Total Output	$587,764,000	$739,065,000
Employment (FTEs)	4,559	5,708
Income	$290,046,000	$366,265,000

Project costs associated with the development of an open-air stadium in Las Vegas are estimated to total $655.2 million, while project costs associated with the development of an enclosed stadium are estimated to total $832.6 million. It is estimated that these costs will consist of roughly 60 percent materials and 40 percent labor. Further, it is estimated that 60 percent of materials spending and 80 percent of labor spending would occur in Clark County.

As a result, the one-time net new economic impacts estimated to be associated with the construction of an open-air stadium in Las Vegas include approximately $342 million in direct spending, $588 million in total output and 4,559 full and part-time jobs and $290 million in personal earnings. Net new impacts associated with the development of an enclosed stadium in Las Vegas include approximately $432 million in direct spending, $739 million in total output, 5,708 full and part-time jobs and $366 million in personal earnings.

In his study titled "The Economic Value and Importance of a Stadium with Seating for 55,000 or more Spectators for Nevada, Clark County, the Las Vegas Region's Resorts, and UNLV", Dr. Mark Rosentraub estimated that construction of an $800 million enclosed stadium would result in approximately $425 million in direct spending, $729 million in total output and 5,058 full and part-time jobs and $308 million in personal earnings.

ANNUAL OPERATIONS IMPACTS

The table below summarizes the net new combined on-site and off-site economic impacts anticipated to be generated to Clark County by the annual operations of an open-air and enclosed stadium (net of existing Sam Boyd Stadium impacts).

Annual Operations Impacts Stadium Development Scenarios		
Net New Impact	**Open-Air Stadium**	**Enclosed Stadium**
Direct Spending	$174,464,000	$428,359,000
Total Output	$275,632,000	$676,748,000
Employment (FTEs)	2,550	6,267
Income	$110,075,000	$270,427,000

Net new impacts from annual operations of an open-air stadium are estimated to generate $174 million in net new direct spending, $276 million in total output, 2,550 full and part-time jobs and $110 million in personal earnings. Net new impacts from annual operations of an enclosed stadium are estimated to generate $428 million in net new direct spending, $677 million in total output, 6,267 full and part-time jobs and $270 million in personal earnings. Dr. Mark Rosentraub estimated that the net new impacts from annual operations of a 55,000-seat enclosed stadium included $393 million in direct spending and $603 million in total output.

FISCAL IMPACTS

In addition to the direct spending, total output, employment and income impacts discussed herein, the construction and annual operations of a new stadium in Las Vegas could generate additional benefits to the local area in the form of increased tax revenues. Overall, it is estimated that annual net new fiscal benefits associated with the development of an enclosed and open-air stadium in Las Vegas could total approximately $37.1 million and $15.0 million, respectively. The following table provides a detailed summary of the net new fiscal impacts estimated to be generated to the local and regional area on an annual basis by type.

Annual Fiscal Benefits Analysis
Stadium Comparison (net of SBS)

Type of Tax	Open-Air Stadium	Domed Stadium
State Sales Tax	$1,651,000	$4,079,000
County Sales Tax	$5,037,000	$12,441,000
Proposed CFD Sales Tax	$743,000	$1,836,000
Live Entertainment Tax	$648,000	$1,629,000
Modified Business Tax	$4,700	$4,700
Hotel Tax	$2,012,000	$4,971,000
NV General Fund Gaming Tax	$4,820,000	$11,906,000
Car Rental Taxes & Fees	$85,000	$210,000
TOTAL	**$15,001,000**	**$37,077,000**

TABLE 3: OFF-SITE SPENDING ESTIMATES			
	Domed Stadium	Open-Air Stadium	Future Sam Boyd Events
Number of Events[1]	27	17	8
Total Annual Attendance[1]	1,047,399	623,122	129,000
Total Overnight Attendees	596,508	266,721	42,825
Total Incremental Visitors[2]	505,518	226,321	36,401
Estimated Trip Spending[3]			
Average/Trip for Lodging (per night)	$83.62	$83.62	$83.62
Average/Trip for F&B	$278.95	$278.95	$278.95
Average/Trip for Local Transport	$59.68	$59.68	$59.68
Average/Trip for Shopping	$140.90	$140.90	$140.90
Average/Trip for Shows	$38.45	$38.45	$38.45
Average/Trip for Sightseeing	$9.29	$9.29	$9.29
Average/Trip Gambling Budget	$529.57	$529.57	$529.57
Total Average Trip Spending	$1,140.46	$1,140.46	$1,140.46
Estimated Total Spending[4]			
Room Nights	$44,638,629	$19,984,783	$3,214,329
F&B	$141,014,291	$63,132,315	$10,154,129
Local Transport	$30,169,324	$13,506,853	$2,172,427
Shopping	$71,227,509	$31,888,665	$5,128,936
Shows	$19,437,173	$8,702,052	$1,399,628
Sightseeing	$4,696,264	$2,102,524	$338,168
Gaming	$190,072,150	$85,095,593	$13,686,677
Total Expenditures	$501,255,340	$224,412,785	$36,094,294
Minus On-Site Spending- All Incremental Visitors[1]			
Total Ticket Revenue	$15,210,941	$6,801,386	$1,092,038
Food & Beverage	$1,211,323	$521,708	$190,670
Novelty Income	$535,930	$230,606	$153,446
Total On-Site Expenditures	$16,958,194	$7,553,700	$1,436,154
Estimated Off-Site Spending- All Incremental Visitors[5]			
Room Night	$44,638,629	$19,984,783	$3,214,329
F&B	$139,802,969	$62,610,607	$9,963,459
Local Transport	$30,169,324	$13,506,853	$2,172,427
Shopping	$70,691,579	$31,658,059	$4,975,490
Shows	$4,226,232	$1,900,667	$307,591
Sightseeing	$4,696,264	$2,102,524	$338,168
Gaming	$190,072,150	$85,095,593	$13,686,677
Total Incremental Visitor Spending	$484,297,146	$216,859,085	$34,658,140

1 Number of events, total visitors and on-site spending provided by CSL.

2 Total incremental visitors equates to net new visitors. 3 The estimated trip expenditures figures are from the LVCVA 2013 Visitors Profile.

4 The estimated total expenditures are computed by multiplying Total Incremental Visitors by Total Estimated Trip Expenditures.

5 The estimated total off-site expenditures are computed by subtracting On-Site Spending from the Estimated Total Expenditures.

TABLE 4: TOTAL INCREMENTAL TOURIST SPENDING: IMPLAN INPUTS USED TO ESTIMATE OUTPUT, WAGES AND LABOR INCOME: CLARK COUNTY			
IMPLAN Model Inputs	Domed Stadium	Open-Air Stadium	Future Sam Boyd Events
		Spending	
320 Motor Vehicle and Parts Dealers	$732,915	$328,224	$51,585
321 Furniture and Home Furnishings Stores	$673,001	$301,392	$47,368
322 Electronics and Appliance Stores	$4,808,696	$2,153,495	$338,451
323 Building Material & Garden Supply Stores	$906,173	$405,815	$63,779
324 Food and Beverage Stores	$1,186,674	$531,432	$83,522
325 Health and Personal Care Stores	$2,707,004	$1,212,287	$190,527
326 Gasoline Stations	$345,845	$154,881	$24,342
327 Clothing and Clothing Accessories Stores	$47,926,549	$21,463,115	$3,373,217
328 Sporting Goods/Hobby/Book/Music Stores	$1,556,020	$696,838	$109,517
329 General Merchandise Stores	$6,770,098	$3,031,877	$476,500
330 Miscellaneous Store Retailers	$3,078,605	$1,378,702	$216,682
336 Transit and Ground Passenger Transportation	$30,169,324	$13,506,853	$2,172,427
338 Scenic and sightseeing transportation	$4,696,264	$2,102,524	$338,168
402 Performing Arts Companies	$4,226,232	$1,900,667	$307,591
409 Amusement parks, arcades, and gambling industries	$190,072,150	$85,095,593	$13,686,677
411 Hotels and motels, including casino hotels	$44,638,629	$19,984,783	$3,214,329
413 Food services and drinking places	$139,802,969	$62,610,607	$9,963,459
TOTAL INCREMENTAL TOURIST SPENDING	**$484,297,146**	**$216,859,085**	**$34,658,140**

Source: RCG Economics.

Note: In order to determine the IMPLAN model inputs, the total incremental visitor spending calculated in Table 3 was allocated to the appropriate IMPLAN industry codes. For example, the LVCVA Room Night, Food & Beverage, Local Transportation, Sightseeing, and Gaming Trip expenditures/spending, each, had a corresponding IMPLAN industry code as shown in Table 4 above. For example, the LVCVA's Food & Beverage trip expenditures were completely allocated to the IMPLAN code 413, "Food services and drinking places".

Table 4 shows the estimated spending levels RCG used in the IMPLAN model for the Domed, Open-Air and Sam Boyd stadiums. Retail/shopping has multiple IMPLAN industry codes. The total incremental visitor spending was allocated into the different industry codes, based on the actual spending that was occurring in the proposed Las Vegas Strip and Downtown Community Facilities District ("CFD"), requested by UNLV. For example, of the total retail spending occurring in the CFD, 67.8% of it was for clothing and clothing accessories. Therefore, the IMPLAN industry code 327, "Clothing and Clothing Accessory Stores", received 67.8% of the total incremental visitor spending on retail shopping.

While we understand the resort corridor/downtown CFD is no longer being considered by the CIAD (instead a County-wide CFD is preferred), it is our opinion that the former CFD's spending allocation is a more reasonable portrayal of what visitors purchase when shopping in Las Vegas. That's why the Off-Site spending estimates used herein and generated by the two stadium options still remain valid. For example, on a County-wide basis, IMPLAN code 320, "Motor Vehicle and Parts Dealers" accounts for approximately 21% of all retail spending. In the CFD this type of spending only accounts for approximately 1% of all retail spending. This is because visitors are not as likely as locals to purchase car parts from a retail store.

TABLE 5A: IMPLAN OUTPUTS: INITIAL OFFSITE BENEFITS Domed Off-Site			
Impact Type	**Spending/Output**	**Employment**	**Labor Income**
Direct Benefit	$454,006,000	4,667	$194,016,000
Indirect Benefit	$105,178,000	775	$39,802,000
Induced Benefit	$157,839,000	1,178	$52,852,000
Total Benefits	**$717,023,000**	**6,620**	**$286,670,000**
Multipliers	1.58	1.42	1.48

TABLE 5B: IMPLAN OUTPUTS: INITIAL OFFSITE BENEFITS Open-Air Off-Site			
Impact Type	**Spending/Output**	**Employment**	**Labor Income**
Direct Benefit	$203,307,000	2,090	$86,876,000
Indirect Benefit	$47,101,000	347	$17,823,000
Induced Benefit	$70,678,000	528	$23,666,000
Total Benefits	**$321,086,000**	**2,964**	**$128,365,000**
Multipliers	1.58	1.42	1.48

Sam Boyd Off-Site			
Impact Type	**Spending/Output**	**Employment**	**Labor Income**
Direct Benefit	$32,544,000	334	$13,904,000
Indirect Benefit	$7,537,000	56	$2,854,000
Induced Benefit	$11,312,000	84	$3,788,000
Total Benefits	**$51,393,000**	**474**	**$20,546,000**
Multipliers	1.58	1.42	1.48

It should be noted that the direct spending in Tables 5B and 5B do not match the total incremental visitor spending shown in Table 4. For example, in Table 4, the Dome stadium is projected to have a total incremental visitor spending of $484.3M (gross), while IMPLAN is reporting a direct benefit of only $454M. The difference between the two estimates of approximately $30M is the result of "leakage", and represents the amount of money that does not stay within the Clark County local economy.

After calculating the benefits of the Domed, Open-Air and Sam Boyd Stadium options, at the request of UNLV, RCG then removed the Sam Boyd stadium's economic benefits from the Domed and Open-Air options. This was done to ensure that only the net new economic activity resulting from a new stadium was reported. These results are shown in Tables 6A and 6B below:

TABLE 6A: IMPLAN OUTPUTS: FINAL OFFSITE BENEFITS Domed Off-Site net Sam Boyd			
Impact Type	**Spending/Output**	**Employment**	**Labor Income**
Direct Benefit	$421,461,000	4,333	$180,112,000
Indirect Benefit	$97,641,000	719	$36,948,000
Induced Benefit	$146,527,000	1,094	$49,064,000
Total Benefits	**$665,629,000**	**6,146**	**$266,124,000**
Multipliers	**1.58**	**1.42**	**1.48**

TABLE 6B: IMPLAN OUTPUTS: FINAL OFFSITE BENEFITS Open-Air Off-Site net Sam Boyd			
Impact Type	**Spending/Output**	**Employment**	**Labor Income**
Direct Benefit	$170,763,000	1,756	$72,972,000
Indirect Benefit	$39,564,000	291	$14,970,000
Induced Benefit	$59,365,000	443	$19,878,000
Total Benefits	**$269,692,000**	**2,490**	**$107,820,000**
Multipliers	**1.58**	**1.42**	**1.48**

Source: IMPLAN.

Note: It is these numbers in Tables 6A and 6B that were ultimately used to represent the "net" Off-site economic benefits for the two facility options. And these are the amounts used in the most recent CSL presentation before the CIAB.

UNLV | NOW
UNIVERSITY OF NEVADA, LAS VEGAS

Mega-Events Center at UNLV

Purpose

This report has been prepared by Hobbs, Ong & Associates, Inc. in response to a request from UNLV and Majestic Realty, potential partners in the development of a 55,000+ seat mega-events center and other amenities on the UNLV campus. The purpose of this report is to explore and evaluate the need for, and economic benefits associated with, a covered mega-events center on the UNLV campus. In part, this report draws upon the work of the University of Michigan's Center for Sports Management, led by Professor Mark S. Rosentraub, and their report entitled, "An All-Weather, Covered Mega-Events Stadium on UNLV's Campus: The Economic Value and Importance of a Stadium with Seating for 55,000 or More Spectators for Nevada, Clark County, the Las Vegas Region's Resorts, and UNLV".

Introduction

Las Vegas, despite its successes in diversifying its economy over the past several years, remains firmly rooted and invested in entertainment. In fact, attracting visitors to partake in a wide variety of entertainment alternatives is what Las Vegas has been designed to do and is, as history has shown, what it does best. It has continued to display its resiliency over the years as it has shifted from being gaming-centric to being a global destination for those who seek the best shopping, dining, room quality and value, and overall entertainment experience available. All of this said, there is one glaring void in the Las Vegas entertainment arsenal; the absence of a state-of-the-art, multi-purpose event center.

It is indeed ironic that Las Vegas, the "Entertainment Capital of the World", is one of the only major tourist destinations and metropolitan areas in the country that lacks such a state-of-the-art special event facility.

The lack of a mega-events center in Las Vegas is even more glaring when one considers that the primary mission of the Las Vegas economy is to attract visitors, and that the offering of special events is one of the primary means of attracting them to the market. Without such a facility Las Vegas, as a destination, lacks the ability to attract and offer special events that cannot be accommodated by its existing inventory of venues. In other words, the absence of such a facility is tantamount to a loss of potential visitors and the retention of existing customers and is contrary to the primary mission of the core Las Vegas economy.

The current inventory of event venues in Las Vegas includes a variety of specialized showrooms with comparatively small seating capacities and four "arena" venues with seating capacity ranging from just over 7,000 to less than 20,000. These venues are each very efficiently used, but are limited by size to events that fit an arena configuration. This inventory also includes the aging, open-air and non-centrally located Sam Boyd Stadium, which can seat 36,800 in its most common configuration for football.

To address this facility deficit, it has been proposed that a covered mega-events center with seating for 55,000 or more spectators be constructed on the western side of the UNLV main campus. A facility of this type and size, located in close proximity to both the Las Vegas Strip and McCarran International

Airport, would address the void described above while also providing a community asset that would serve not only the UNLV campus, but Las Vegas as a whole.

The benefits of adding a 55,000+ seat covered mega-events center on the UNLV campus include:

- The filling of a void in the current inventory of event facilities, which would improve the Las Vegas market's ability to attract events that are currently unattainable and to retain events that have grown beyond the capacity of their current venues.
- The availability of a neutral site venue close to the Las Vegas Strip that could be used for events that augment visitation to the resort corridor.
- The revitalization of the west end of the UNLV campus.
- With the movement of UNLV football to the campus, more of a campus community will result, benefiting students, faculty, staff and alumni.
- Enhanced quality of life for residents through the attraction of events beyond those specifically designed to attract new visitors. In this regard, the facility would serve as a highly desirable bridge between the university and the community as a whole.
- Economic revitalization of the areas immediately surrounding the UNLV campus.
- The new mega-events center will provide for significant branding opportunities for both UNLV and for Las Vegas.
- With the attraction of 15 new events to the community, it is estimated that **$393.2 million in total direct annual economic benefit will inure to the Las Vegas economy.** Indirect benefits of $95.4 million and induced benefits of $114.8 million will also result. **The total direct, indirect and induced economic benefit arising from 15 new events is estimated to be $603.4 million.** If 20 new events were held, this number would be expected to rise to $804.6 million.
- With the attraction of 15 new events, it is estimated that nearly **$36.8 million in new annual tax revenue** will be generated for state and local governments; and,
- Economic benefits associated with the construction of the new mega-events center includes the **generation of more than 5,000 direct, indirect and induced person years of employment**, generating more than **$197 million in direct wages** for local working families. The building of the mega-events center alone would generate nearly $30 million in tax revenue for state and local governments.

The economic and fiscal benefits noted above focus upon the attraction of new events and new visitors to the Las Vegas market, and do not include the value associated with events currently held in any existing venue in Las Vegas. All substitution effects were eliminated in the estimation of economic benefits.

The prudent and conservative assumptions used to produce the economic benefit estimates noted herein allow the conclusion to be drawn that considerable economic benefits to the hospitality industry and the community as a whole will be realized if a new mega-events center is added to the mix. Conversely, without a new mega-events center, there are numerous athletic and entertainment events that cannot take place in the Las Vegas market. There is even the possibility that some events that have traditionally been held in Las Vegas area will choose to relocate to other tourist destinations that have state-of-the-art mega-events facilities. The failure to attract new events and retain existing events has the potential to cost Las Vegas jobs, income, tax revenue and economic benefits that could otherwise inure to the community.

Summary of Projected Economic Benefits

Discussions with representatives of the Las Vegas Convention and Visitors Authority and Las Vegas Events have indicated that the assumed attraction of 15 or more new events to the Las Vegas market is both reasonable and achievable. Included among the type of new events that could be readily attracted to the market are; three neutral-site collegiate football games, an additional college bowl game, an NFL exhibition game, two additional NCAA football games and/or basketball conference championship tournaments, multiple major music events, international soccer exhibitions, and unarmed combat (e.g., boxing, UFC, WWE) mega-events.

The identification of a reasonable and achievable number of new events is central to determining the economic impact arising from them.

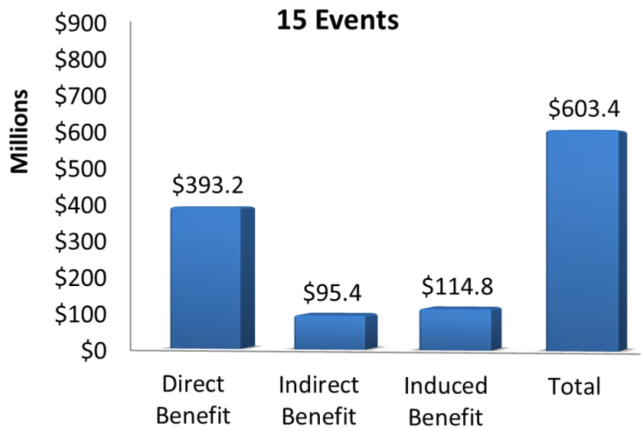
According to the estimates included in the report prepared by the University of Michigan's Center for Sports Management, the attraction of 15 new events (housed in a new 55,000 seat mega-events center) would produce 472,500 ticket sales to visitors. This would amount to 31,500 tickets sold to new visitors per event. Assuming an average ticket price of $100, the University of Michigan estimates that visitors will spend $47.2 million to attend events each year. They further estimate that, if each attendee were to spend $40 on food, beverage and merchandise at each event, an additional $18.9 million in consumption-related revenue would be generated each year. Total receipts for 15 events at the new mega-events center, including tickets, food and beverage, and merchandise are estimated to be $66.1 million annually.

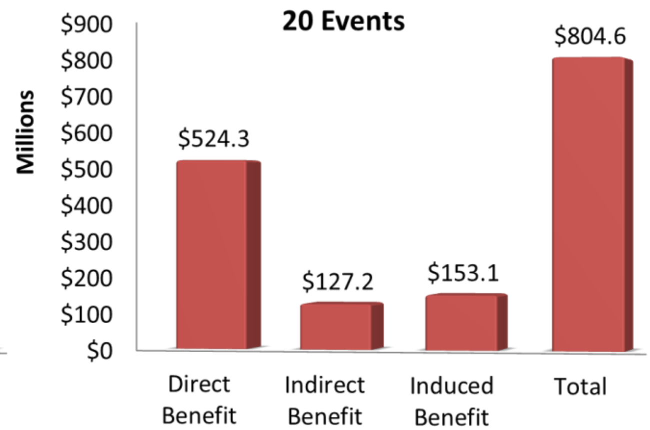
The University of Michigan report estimates that 15 new events at the mega-events center would produce a total of $393.2 million in total annual benefit for the Las Vegas economy. The indirect benefits would approximate $95.4 million, while the induced benefits would add $114.8 million. Removing the new spending associated with tickets and other direct event-related revenue, and assuming that consumption at other places in Las Vegas would occur, the 15 events are still projected to produce nearly $327.1 million in new annual spending within the resort corridor and among retail destinations with the Las Vegas market.

If, in a given year, Las Vegas were to attract 20 new events to the new mega-events center, the estimated economic benefit would rise to $524.3 million annually. Including indirect and induced benefits, the total would rise to $804.6 million at 20 events.

The 15 new events would also produce new tax revenues for the state and local governments within Clark County. The University of Michigan also estimates that $37 million in new tax and fee revenue could be generated annually. Revenue sources include room tax, sales tax, live entertainment tax, gross gaming tax and car rental tax. Construction of the facility would generate an estimated $26 million in sales tax and $3.5 million in modified business (payroll) tax revenue.

For a more detailed view of the University of Michigan's economic and fiscal benefit estimates, please see the attached summary table (Attachment A).





UNLV Benefits

A covered mega-events center on its campus will permit UNLV to integrate all of its sports programs with the academic life of students, faculty, and staff. UNLV will also be able to welcome its alumni and the entire community to its campus for sports and entertainment events throughout the year. The facility would also become a focal point for community and university interaction, serving as a bridge between the campus and residential population.

Beyond increasing the presence of UNLV in the community, the new mega-events center will offer an opportunity to create a springboard for further development of campus facilities and will reinvigorate interest in adjoining retail and commercial property. By way of example, the presence of a new mega-events center on the UNLV campus will also allow for the development of other facilities (e.g., a student residential village, including retail and other amenities) which will advance the university toward the desired goal of becoming a residential campus and community destination. This would, in turn, help to elevate the attractiveness and energy level of the campus on local, national and international levels. The impacts upon the areas bordering the western part of the campus, while not included in this report, are expected to be positive.

The development of a covered mega-events center on the UNLV campus would serve as the anchor for a master plan that would transform the campus into both a community gathering place and a vibrant residential campus, while also providing a needed asset for the hospitality industry.

Summary and Conclusion

Las Vegas, while it is billed as the "Entertainment Capital of the World" and with an economy that is predominantly dependent upon attracting visitors to the Las Vegas market, has a deficiency in its inventory of facilities that can be used to attract net new visitors to the market. Las Vegas has a number of facilities that are capable of hosting special events, from very small and intimate events up to just under 20,000 attendees (e.g., UNLV Thomas and Mack Center). The deficiency is in the area of a state-of-the-art, mega-events center capable of hosting 55,000 or more attendees. The lack of such a facility can lead to the loss of events currently hosted in Las Vegas as well as the inability to compete for new events that require such a facility. In either case, this is tantamount to a loss of business for the Las Vegas market.

If 15 mega-events were held at such a facility, $393.2 million in new annual <u>direct</u> spending is projected to take place in the market. If the mega-events center is not built, this spending will not occur and the foregone income would be an annual economic drain on economic development.

To build a covered mega-events center on its campus, UNLV will need to form a partnership with the market's resorts and hospitality industry, and will require the cooperation and involvement of the State and local entities. Such a partnership is not unprecedented; UNLV, the State of Nevada and the local community have worked together in the past to build a needed venue for events, the Thomas & Mack Center, which has produced substantial economic development gains for the region. In fact, the Thomas & Mack Center is among the nation's most successful arenas without an anchor professional sports team. By way of evidence, the Thomas & Mack Center has welcomed more than 21.7 million attendees to events over its life, and has averaged roughly 700,000 attendees per year over the past several years. Of the 700,000 attendees per year, approximately 300,000 are visitors to southern Nevada. The University of Michigan report estimates that more than $200 million per year is spent in Las Vegas hotels and retail centers by visitors attending events at the Thomas & Mack Center. The Thomas & Mack Center has proven to be a key economic contributor to both the university and the hospitality sector.

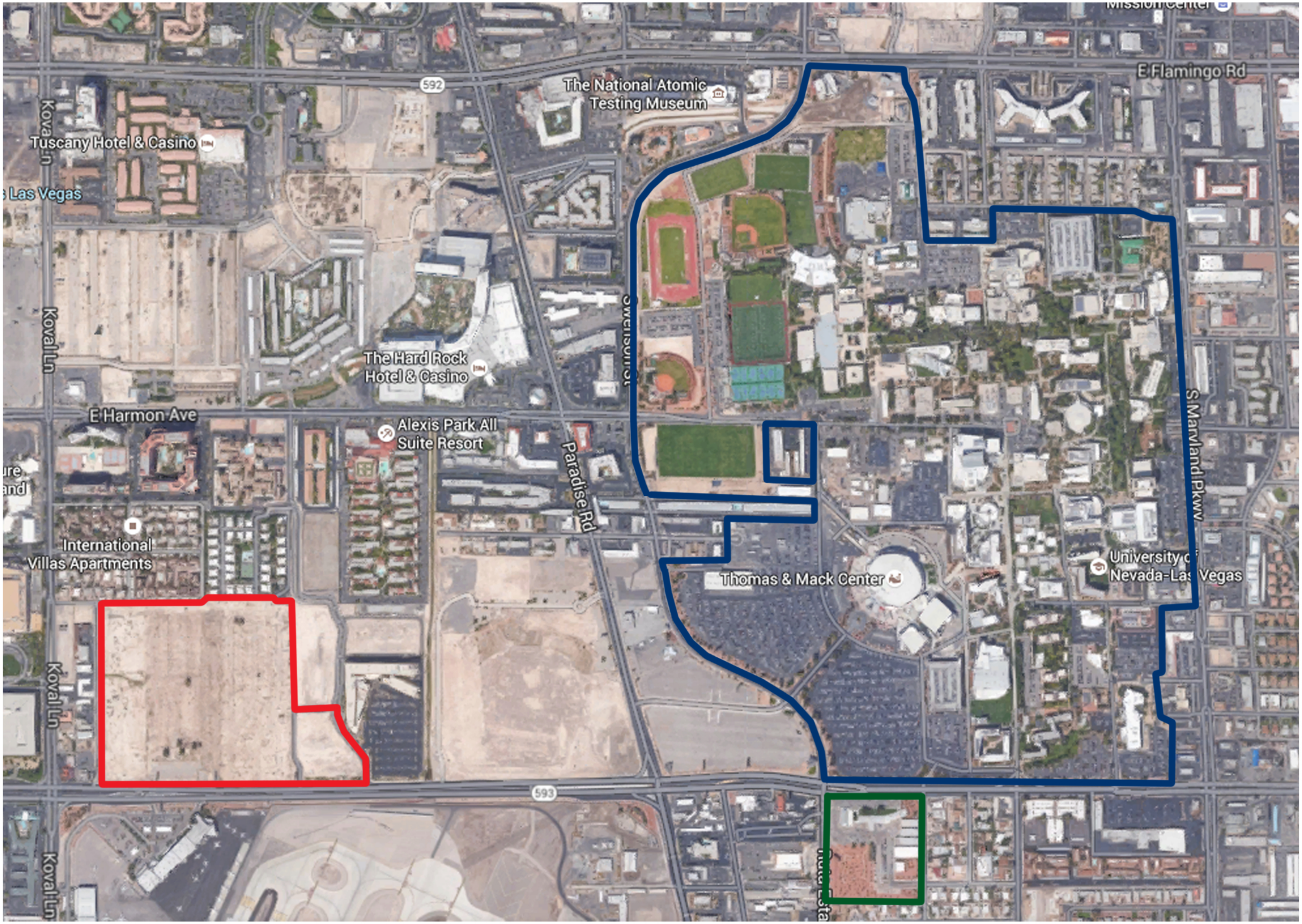
Another partnership between the State of Nevada, UNLV and the Las Vegas hospitality sector to build a new mega-events center will generate new levels of spending at Las Vegas' resorts. The result will be increased visitation, more jobs, more wages and salaries, and more economic activity within the region's core tourism economy. It will result in a better UNLV, engaging the community and anchoring a new wave of campus investment. It will also mean increased state and local tax collections, not only for the local university, but for state and local programs such as education, public safety, roads and healthcare. Failing to act will inevitably have the opposite effect, all but insuring that large-scale events will be hosted in other parts of the country that want nothing more than to capture an increasing share of Las Vegas' tourism and events spending. A mega-events center is conspicuously absent in southern Nevada, and there is compelling evidence that its construction and its operation would not only preserve, but would enhance the competitiveness of its core economy.

ATTACHMENT A

New Annual Spending and Taxes Attributable to New Events in the Proposed UNLV Mega-Events Center

NUMBER OF *EXPORT* EVENTS	*15 Events*	*20 Events*
NEW VISITOR EXPENDITURES:		
Lodging	$84,030,469	$112,040,625
Food and Beverage	$110,322,371	$147,096,495
Retail Spending	$51,946,178	$69,261,570
Entertainment (Shows)	$19,792,080	$26,389,440
Gaming	$97,193,250	$129,591,000
Local Transport	$25,804,406	$34,405,875
Sightseeing	$4,112,640	$5,483,520
TOTAL ANNUAL Benefit For The Las Vegas Regional Economy	**$393,201,394**	**$524,268,525**
Consumption on UNLV Campus	$66,150,000	$88,200,000
TOTAL ANNUAL Direct Economic Benefit for Resorts, Retail Centers in Metropolitan LV	**$327,051,394**	**$436,068,525**
ANNUAL TAX REVENUES:		
State of Nevada Sales Tax	$13,037,862	$17,383,816
Clark County Sales Tax	$2,414,419	$3,219,225
Live Entertainment Tax	$4,329,863	$5,454,863
Hotel Taxes	$10,083,656	$13,444,875
NV General Fund Gaming Tax Revenue	$6,560,544	$8,747,393
Car Rental Taxes and Fees	$362,688	$483,584
Total Tax Revenues Generated From New Visitors	**$36,789,032**	**$48,733,756**

Source: University of Michigan's Center for Sports Management



= Main UNLV Campus
= Paradise Campus
= 42 Acre Parcel

LAS VEGAS SUN

Where I Stand:

Las Vegas taxes on tourism while rival Orlando invests

By Robert Lang

Sunday, Sept. 6, 2015 | 2 a.m.

Brian Greenspun is taking some time off and is turning over his Where I Stand column to others. Today's guest columnist is Robert Lang, director of the think tank Brookings Mountain West at UNLV, an outreach of the Brookings Institution.

The 2015 Legislature again revised the state's Live Entertainment Tax. Recent debates centered on the definition of "live entertainment," how to collect the tax and exemptions to the tax. But once again Nevada failed to address the most critical issue surrounding this tax.

Unlike other major entertainment destinations, such as our prime competitor, Orlando, Fla., Southern Nevada does not retain a "carve-out" — a portion of the revenues generated by these location-specific events — to reinvest in tourist infrastructure so we can continue to build on Southern Nevada's No. 1 industry.

Orlando economic development staffers contacted Brookings Mountain West following the close of the 2015 Nevada Legislature to confirm that the state increased and broadened its live entertainment tax yet failed to secure a single new penny for investment in tourism assets. In addition, two-thirds of our current bed taxes flow to uses other than building and promoting our tourist economy. By contrast, Orlando maintains by law a 100 percent capture of its bed tax for tourism.

Our conversation with officials in Orlando concluded with one basic request from them: Please tell us the same legislators who failed to secure new funding streams for Las Vegas tourist investments will be in office next session.

Not to be polite, Orlando sees us as sitting ducks.

Consider that Orlando's locally generated entertainment funds (or the "tourist development tax") pay for improvements in major venues that strengthen and expand the region's booming tourist economy. For instance, over the past two years, Orlando plowed tourist-generated taxes into more than $200 million in upgrades at the 60,000-plus-seat Citrus Bowl and constructing Orlando City Stadium for more than $150 million.

Orlando City Stadium is an especially key contrast with Las Vegas. The venue soon will house a Major League Soccer expansion franchise and will play host to the 2016 and 2017 NCAA Women's College Cup championship. City Stadium sits smack downtown and is part of a broader urban-redevelopment effort. Yes, Orlando did exactly what Las Vegas failed to do: build a soccer stadium downtown. One key reason for success: locally generated tourist taxes help build entertainment infrastructure. Orlando has this tax stream; Las Vegas does not.

Why a soccer stadium? Orlando is targeting tourists from Latin America and sees soccer as a major draw. Note that Las Vegas also is booming with visitors from Latin America, especially Brazil. A downtown Las Vegas soccer-led stadium would appeal to many foreign tourists and provide a much-needed venue for multi-use live entertainment.

You also may recall Orlando's recent efforts to secure the National Finals Rodeo (NFR) from Las Vegas. While the effort was unsuccessful, it was not due to a lack of local resources or facilities. Orlando planned to pay for a new NFR arena in part by taxing tickets to that very event.

And Orlando is not alone in securing stadium resources from public sources while Las Vegas fails. Consider that Arlington, Texas, a city of nearly 400,000 residents, has attached a portion of locally generated retail sales taxes to build a massive live-entertainment complex that includes baseball and football stadiums. In fact, the 85,000-seat AT&T Stadium (home to the Dallas Cowboys) — one of the largest and most sophisticated entertainment venues in the world — is owned by Arlington. To think, Arlington does all this on a small portion of retail sales that are dwarfed by those in Southern Nevada.

Given local taxes generated in the retail and entertainment sector from tourist dollars alone, Las Vegas could have the most spectacular stadium in the U.S. If Southern Nevada had the same revenue streams available to Orlando or Arlington but enhanced by the region's hyper rate of tourist consumption and taxation, Las Vegas could build a must-see, envied-worldwide mega-entertainment complex, no problem.

Finally, Las Vegas has one quality that Dallas and all other major tourist markets (except Orlando) lack: Most seats in Las Vegas venues are filled by out-of-towners. When Glendale, Ariz., stole the Arizona Cardinals from Tempe, it did little to alter the fact that metro Phoenix residents fill seats in either site. Yet any new stadium in Las Vegas will grow our entertainment tourist infrastructure and add to regional export wealth in a way Phoenix and Dallas cannot match.

Southern Nevada's leading competitive economic advantage is tourism, and it will remain that way even if we succeed in much-needed industry diversification efforts. Expanding the core economy with new entertainment capacity is a certain winner. Orlando — to use Vegas parlance — is doubling down on its tourist expansion bet via multiple tax streams generated by lodging, entertainment and retail sales.

For now, Las Vegas is floundering on the sideline, but it is not too late to get in the game. Las Vegas has a potent tourist sector. If even a small share of taxes from its many tourist-led revenue streams were applied to building out events and entertainment infrastructure, then look out Orlando!

TESTIMONY FOR THE SOUTHERN NEVADA TOURISM INFRASTRUCTURE COMMITTEE

ROBERT LANG, PH.D. | PROFESSOR & EXECUTIVE DIRECTOR
BROOKINGS MOUNTAIN WEST | THE LINCY INSTITUTE
GREENSPUN COLLEGE | UNIVERSITY OF NEVADA, LAS VEGAS

Who Am I?

Executive Director of Brookings Mountain West/The Lincy Institute

Senior Fellow at The Brookings Institution in Washington, DC

Urban/Public Affairs Professor at UNLV's Greenspun College

Who Do I Represent?

I am Not a Current Consultant to Any Party in This Conversation

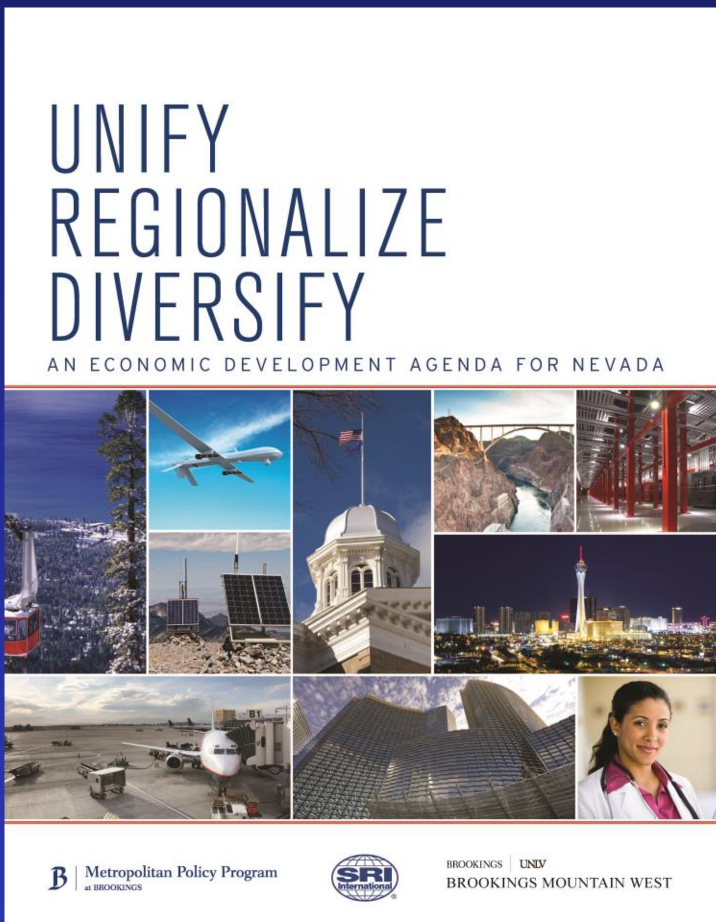
I am Based at UNLV, but I Do Not Represent the University on This Issue

I am an Academic Urban Planner Offering Insight on Tourist Infrastructure

Main Points of My Talk

- Build Everything at Once—Upgraded Convention Center, Rail Transit, and a Stadium
- Here is Why—All Our Competitors Have or are Now Building These Assets
- Tourism is by Far Southern Nevada's Largest Export—All Fortune 500 Firms are in Gaming
- We Need to Rethink the Way We Tax Tourism and See it as More Than a Zero-Sum Game

Brookings-SRI Economic Dev Report



Listed "Tourism, Gaming and Entertainment" as Nevada's "Core Industry" and Emphasized "Diversifying Within" the Core Sector

Diversifying Within the Core Comprises LV's Biggest Success to Date

How Big is Tourism in Las Vegas?

Las Vegas is the 30th Most Populous U.S. Metro, but has the 3rd Largest Accommodation Services Sector—After NY and Miami, but Ahead of 4th Ranked Orlando. By Contrast, Las Vegas Ranks 65th Among Advanced Industry Economies.

Top Accommodation Services Metros

Metropolitan Area	Output in $Millions
New York	$6,694
Miami	$5,064
Las Vegas	$3,444
Orlando	$2,479
Honolulu	$2,239
San Francisco	$2,168
Washington, DC	$1,996
Chicago	$1,685
Los Angeles	$1,601
Boston	$1,470

Source: Brookings Metropolitan Policy Program

Tourist Assets and Taxes

- ❑ The Following Tables Show Tourist Assets in Las Vegas Relative to Other Regions in the U.S.
- ❑ The Tables Compare Las Vegas on Several Asset Metrics—Including Our Tourist Tax Rates
- ❑ Our Biggest Threat: Orlando Taxes Tourists the Least and Yet Carves Out a Big Local Revenue Share for Investments in Major Tourist Assets
- ❑ We Need to Reconsider Our Tax Carve Outs

Comparing Key Tourist Assets

Metro Area	Domestic Airport Rank	Downtown Rail to Airport	Conv. Ctr. Rail to Airport	Distance Conv. Ctr. to Airport	60,000+ Stadium
Atlanta	7	YES	YES	12.0 Miles	YES
Chicago	2	YES	YES	18.9 Miles	YES
Dallas	6	YES	YES	25.1 Miles	YES
Denver	8	YES	YES	26.5 Miles	YES
Las Vegas	4	NO	NO	3.6 Miles	NO
Orlando	5	NO	PLANNED	13.0 Miles	YES

Note: Airport Rank is Based on Origin/Destination & Connections

Tabulation and Data Analysis by Brookings Mountain West/UNLV

Looking at a Stadium

- ❑ LV’s Stadium Would Be a Key “Consumption Export”—Seats Would Be Filled with Tourists
- ❑ A Carve Out of the Live Entertainment Tax Should Be Used to Build Entertainment Venues
- ❑ The Stadium Would Help Diversify the Region’s Core Economy By Adding More Events
- ❑ If the Stadium Hosts at Least 20 Events, it Will add $800 Million to the Las Vegas Economy

Stadiums in Metros Around 2 Million

Metropolitan Area	Metro Rank	Pop. In Millions	Biggest Stadium Name	Seating Capacity
Cincinnati	28	2.15	Paul Brown	65,535
Kansas City	29	2.07	Arrowhead	79,451
Las Vegas	30	2.07	Sam Boyd	36,800
Cleveland	31	2.07	First Energy	73,200
Columbus	32	1.99	Ohio	104,994
Indianapolis	33	1.97	Lucas Oil	63,000
San Jose	34	1.95	Levi’s	68,500
Austin	35	1.95	Darrel K Royal	100,119

Tabulation and Data Analysis by Brookings Mountain West/UNLV

Back of the Envelope Calculation

- Live Entertainment Taxes (LET), Add about $150 Million Annually to Nevada’s Revenue
- Perhaps 90% of the LET (or $135 Million) is Collected in Clark County—Most on The Strip
- An LET Carve Out of Just 25% Equals Almost $34 Mil Per Year for Investment in a Stadium
- If We Generate $800 Million in New GDP from a Stadium at a 5% Tax Rate that Equals $40 Mil

Comparing Convention Center Space

Metro Area	Main Center Space Ft^2	Other Centers Space Ft^2	Total Center Space Ft^2	Total Annual Attendance	Total Space Per Attendee
Atlanta	1,500,000	1,000,000	2,500,000	2,287,459	1.09
Chicago	2,670,000	967,000	3,637,000	2,300,000	1.58
Dallas	1,000,000	870,000	1,870,000	1,200,000	1.56
Denver	584,000	133,000	717,000	918,616	0.78
Las Vegas	2,182,167	6,900,000	9,082,167	5,169,054	1.76
Orlando	2,100,000	3,452,000	5,552,000	1,357,387	4.09

Note: Other Convention Space in Centers with 100,000+ Square Ft

Tabulation and Data Analysis by Brookings Mountain West/UNLV

Comparing Tourist Taxes

Metro Area	Room Tax on $105 Per Day	Car Rental Tax on $57 Per Day	Dining Tax on a $93 Meal	Total Tourist Tax Burden	Rank Among Top 50
Atlanta	$16.85	$5.71	$7.47	$30.02	23
Chicago	$16.85	$14.16	$10.03	$41.04	1
Dallas	$15.80	$8.56	$7.70	$32.05	15
Denver	$15.53	$9.56	$7.47	$32.56	13
Las Vegas	$12.64	$11.47	$7.56	$31.66	17
Orlando	$13.16	$5.71	$6.07	$25.94	50

Tourism Tax Data From The Global Business Travel Association

Tabulation and Data Analysis by Brookings Mountain West/UNLV

Where Does the Room Tax Go?

Las Vegas	Percent	Orlando	Percent
LVCVA	32%	Orange County	100%
State of NV	25%		
Clark County Schools	14%		
Taxing Entity	14%		
Clark County Transportation	8%		
NDOT	4%		
State of NV Tourism	3%		

Tabulation and Data Analysis by Brookings Mountain West/UNLV

What Can the Room Tax Support?

- In Las Vegas, Room Taxes Can Support:
  Las Vegas Tourism Promotion, Las Vegas Convention Center, State of Nevada Schools, Clark County Schools, Localities, Clark County Transportation, NDOT, and State Tourism Promotion

- In Orlando, Room Taxes Can Support:
  Orlando Tourism Promotion, Orange County Convention Center, and Tourist-Related Investments Such as Stadiums

Tourist Assets: Public vs Private

Public Tourist Asset	Las Vegas Versus Orlando: Who Leads?	Private Tourist Asset	Las Vegas Versus Orlando: Who Leads?
Airport Connections	Las Vegas	Luxury Resorts	Las Vegas
Rail Connections	Orlando	Fine Dining	Las Vegas
Highway Connections	Orlando	Upscale Shopping	Las Vegas
Convention Center	Orlando	Convention Space	Las Vegas
Large-Scale Stadium	Orlando	Live Entertainment	Las Vegas

Orlando Leads Las Vegas in Public, but Not Private Tourist Assets

Summing Up Tourist Assets/Taxes

- We Need to: Refurbish/Expand the Convention Center; Build Light Rail; Construct a Stadium
- Orlando Built These Assets Despite Having The Lowest Tourist Taxes in the Top 50 U.S. Markets
- Las Vegas Needs More Tourist Tax Carve Outs: Me, "It's Not What You Tax, It's What You Keep"
- Las Vegas Can Show the State That More Tourist Tax Carve Outs Will Add More General Revenue

Finally…

- If Las Vegas Does Not Diversify Within Its Core Sector, Nevada Will Not Have the Resources to Diversify the Economy Outside of Tourism
- The Least Risky Bet Nevada Can Make is Supporting Tourist Infrastructure that Diversifies the Las Vegas Core Sector
- Atlantic City, NJ is an Example of a Place that Failed to Diversify Within its Core Sector—And the Garden State Suffers as a Result

Thank You

SOUTHERN NEVADA MULTI-PURPOSE STADIUM

MARCH 24, 2016

Sands
LAS VEGAS SANDS CORP.

MAJESTIC REALTY CO.

SANDS-MAJESTIC PARTNERSHIP

Public-Private Partnership

- Majestic and Sands have joined together in a collaborative partnership to fill a void in the Las Vegas brand offering through the development of a state of the art 65,000+ seat enclosed Stadium in Las Vegas.
- This Stadium, will be designed as a state of the art multi-event sports and entertainment facility and will be built to the exacting standards of the NFL. It will be positioned to entertain an immediate relocation of an NFL franchise to Las Vegas.
- The Stadium provides a new home to UNLV football allowing the University to expand its brand among its NCAA peers.
- Our preferred location for this new Stadium is the 42 ac. site on Tropicana recently acquired by UNLV. We are engaged with UNLV regarding the proposed project and are excited about the prospects of working with them.
- We are committed to making a significant capital investment in this project through a public-private partnership with the State of Nevada and Clark County.

WHY THIS PROJECT AND WHY NOW?

Las Vegas – the Ultimate Entertainment Destination

- Making Las Vegas the ultimate destination for major sports and entertainment events on a worldwide scale should be a mandate when considering public sector investment.
- While Las Vegas hosts over 42m visitors each year with access to the best entertainment shows and events, we do not have a venue that can accommodate over 18,000 attendees other than the Speedway or Sam Boyd Stadium, both of which are not options for a majority of contemplated events.
- On any given day in Las Vegas, our largest “city wide entertainment” event is limited to entertaining just 5% of the total tourist population in the market. Thus by default, Las Vegas is eliminated as a location option for any major sports or entertainment event requiring a scalable facility.
- To be at the leading edge of the sports and entertainment industry, Las Vegas must have a state of the art enclosed Stadium. By not having a Stadium facility in Las Vegas we are not optimizing the significant investments made in our tourism economy.
- With superior airport infrastructure with worldwide access, superior room product and best in class gaming and resort amenities, we can be positioned ahead of our competitors in all areas with a new Stadium added to our infrastructure footprint.

WHY THIS PROJECT AND WHY NOW?

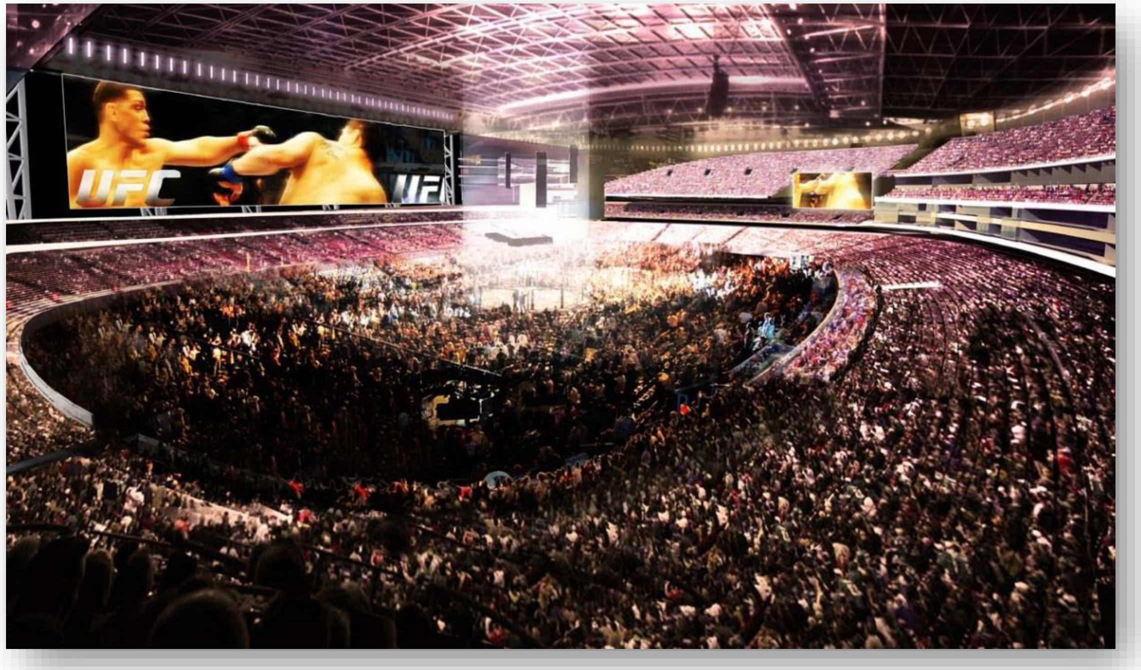
SNITC – Balancing Public Investments

- This Committee has been convened to analyze and to determine where best to invest State and local financial resources to provide Las Vegas with the infrastructure it needs to expand its worldwide brand and to drive incremental tourism.
- Las Vegas and the State of Nevada should make strategic investments that expand the visitor base, provide immediate returns on invested capital and target projects that can demonstrate that they are in fact accretive to our tourism economy.
- Las Vegas is the entertainment capital of the world yet we are the only major city in the country without a large scale multi-purpose sports and entertainment Stadium facility. The result-Las Vegas is not a location option for any large scale sports or entertainment events.
- A multi-purpose Stadium puts Las Vegas on the map for major sports and entertainment events and puts Las Vegas ahead of the competition rather than behind it.
- UNLV needs a new Stadium. This project provides for a new home to UNLV football to receive the benefits of having a campus-centric football Stadium at no cost or risk.

MULTI-PURPOSE STADIUM – Preferred Location

Proposed Project

- $1.3b estimated project cost
- 65,000+ seating (flex to 70,000+)
- Climate controlled-enclosed
- Ultra luxury super suites, corporate suites, boxes
- 4,000 structured parking stalls plus 1,000 onsite surface parking. Additional 3,600 stalls on MOU and UNLV land



Stadium Event Platform

- Home to Rebel Football
- NFL resident team ready
- Vegas Branded Music festivals
- Title Bouts: Boxing & UFC
- Largest Touring Concerts
- MLS & International Soccer/Rugby
- Championship Motorsports
- Neutral-site NCAA & NFL football
- NCAA Bowl Games
- NCAA Basketball Tournaments
- LVCVA and resort corridor Convention Support

UNLV AS DIRECT BENEFICIARY

- UNLV receives all of the benefits of a campus Stadium without cost or risk
- Walking distance to campus
- Shared parking for UNLV and Stadium
- Allows UNLV to expand its footprint for its core mission "on campus"
- Stadium to provide direct financial support to UNLV for Sam Boyd Stadium content transfer to new Stadium

SOUTHERN NEVADA MULTI-PURPOSE STADIUM

LEGISLATIVE ACTION REQUIRED

- Authorization for creation of Stadium Authority Board granted powers and authorizations to undertake the project.
- Authorization for Stadium Authority Board to receive donation of Stadium site from Developer.
- Legislation for reliable source of public revenue (bondable) to fund a portion of project costs.

PROJECT TIMELINES

Project Kickoff:	Immediately upon enactment of legislation
Construction Start:	Q4 2017
Opening:	Q3 2020

DOES THIS PROJECT MAKE SENSE IN LAS VEGAS – THE ANALYSIS

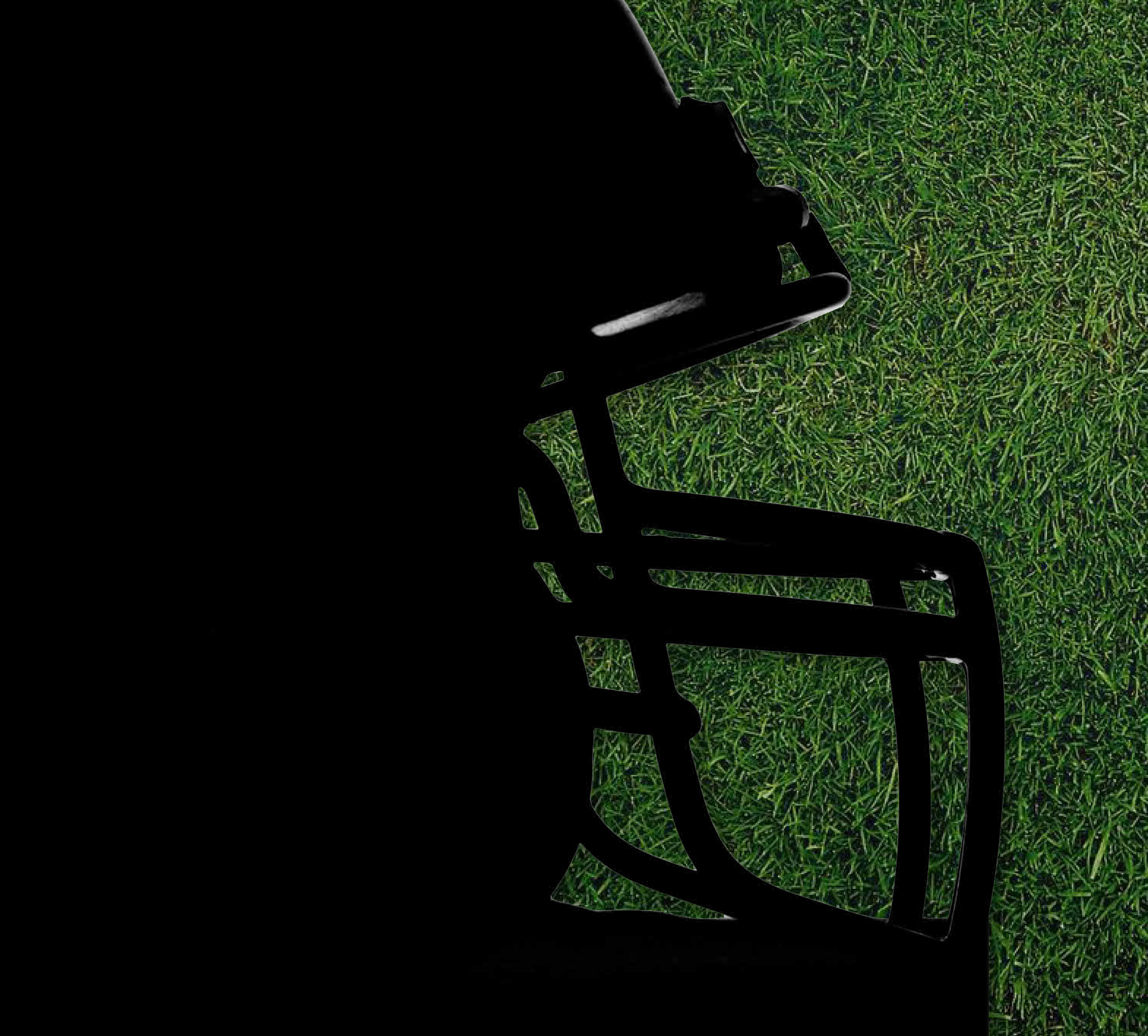
Sands-Majestic engaged CSL to complete a bottom up review of alternative Stadium designs to determine the optimum scope of the project including:

- Enclosed or non-enclosed facility?
- Programming elements required tor multipurpose NFL ready execution
- Size of Stadium and seat count
- Number of boxes, suites and club seats
- Visibility of PSL program if NFL team is secured
- Local and non-local interest in possible NFL resident team
- Value of naming rights and sponsorship opportunities
- Visibility of Las Vegas for non-NFL anchored stadium
- Visibility of Las Vegas for NFL anchored stadium

We engaged Goldman Sachs to review our project plan and provide market data perspective of the following:

- Market analysis of comparable stadium/arena facilities globally
- Funding structures for comparable facilities – with focus on NFL anchored stadiums
- Public-private financing structures, mix of funding and other data points for consideration of public-private partnership financing


WELCOME
MARKET & FINANCIAL Feasibility Analysis FOR
A NEW MULTI-PURPOSE STADIUM
IN LAS VEGAS
CONVENTIONS SPORTS CSL LEISURE
MAJESTIC REALTY CO.
Sands
LAS VEGAS SANDS CORP.



CONVENTIONS SPORTS & LEISURE

MAJESTIC REALTY CO.

Sands LAS VEGAS SANDS CORP.

1 CSL FIRM INFORMATION

CONVENTIONS SPORTS & LEISURE

MAJESTIC REALTY CO.

Sands LAS VEGAS SANDS CORP.

CSL INTERNATIONAL

- Industry-leading sports & entertainment facility development advisor
- Based in Dallas, TX
- Over 200 years of collective experience
- Over 1,500 feasibility studies completed
- Proven track record with credibility in the marketplace
- Independent, unbiased research and analysis

Services:

- Market Demand
- Facility Program
- Financial Feasibility
- Marketing Strategies
- Operational Reviews
- Economic Impacts
- Funding Plans
- Valuations
- Business Plans

2 MARKET STUDY

CONVENTIONS SPORTS & LEISURE

MAJESTIC REALTY CO.

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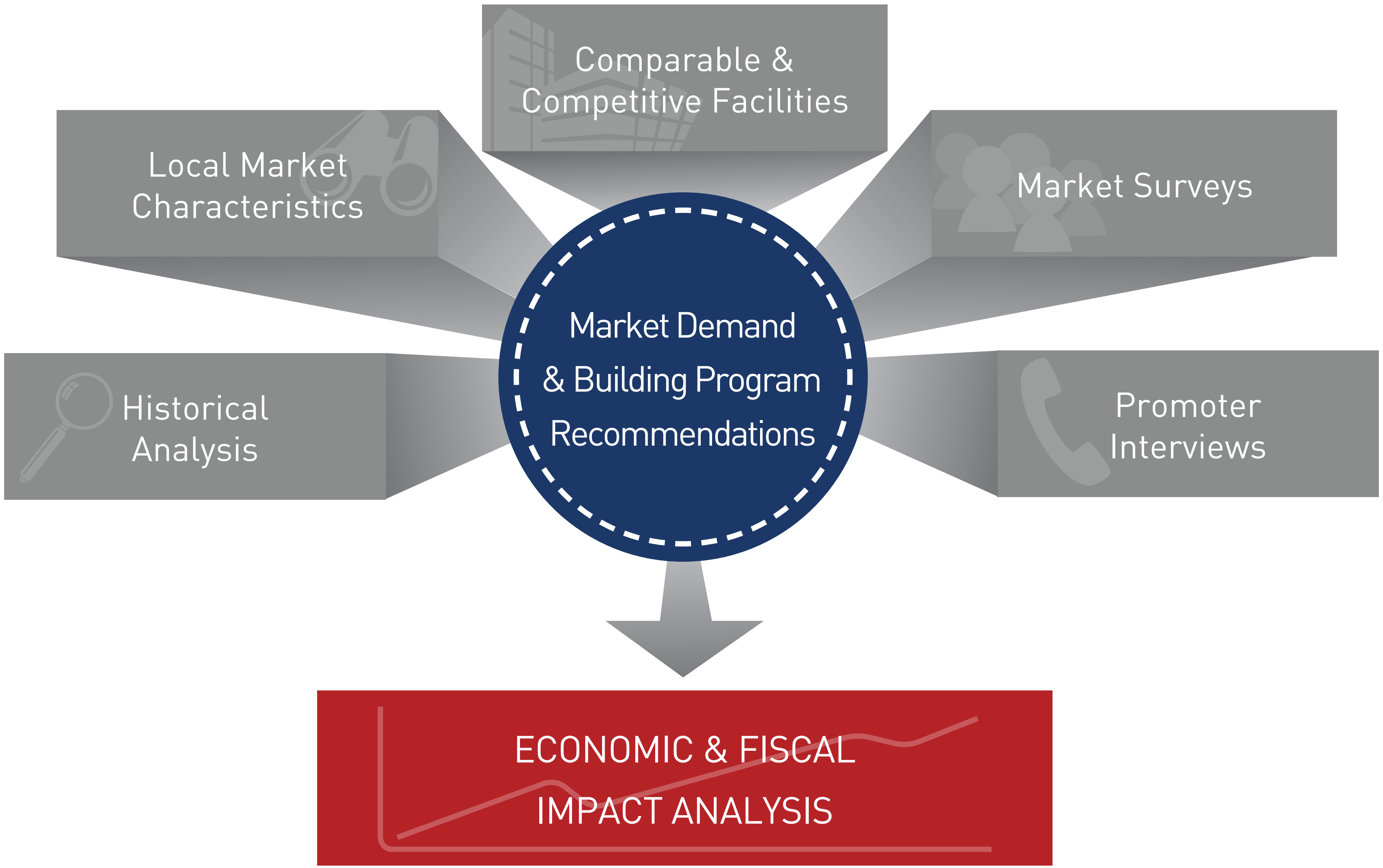
LAS VEGAS SANDS CORP.

INTRODUCTION

Conventions, Sports & Leisure International ("CSL") was engaged by Majestic Realty and Las Vegas Sands Corp. to determine the economic viability of a multipurpose stadium in Las Vegas both with and without a resident NFL team.

STUDY METHODOLOGY

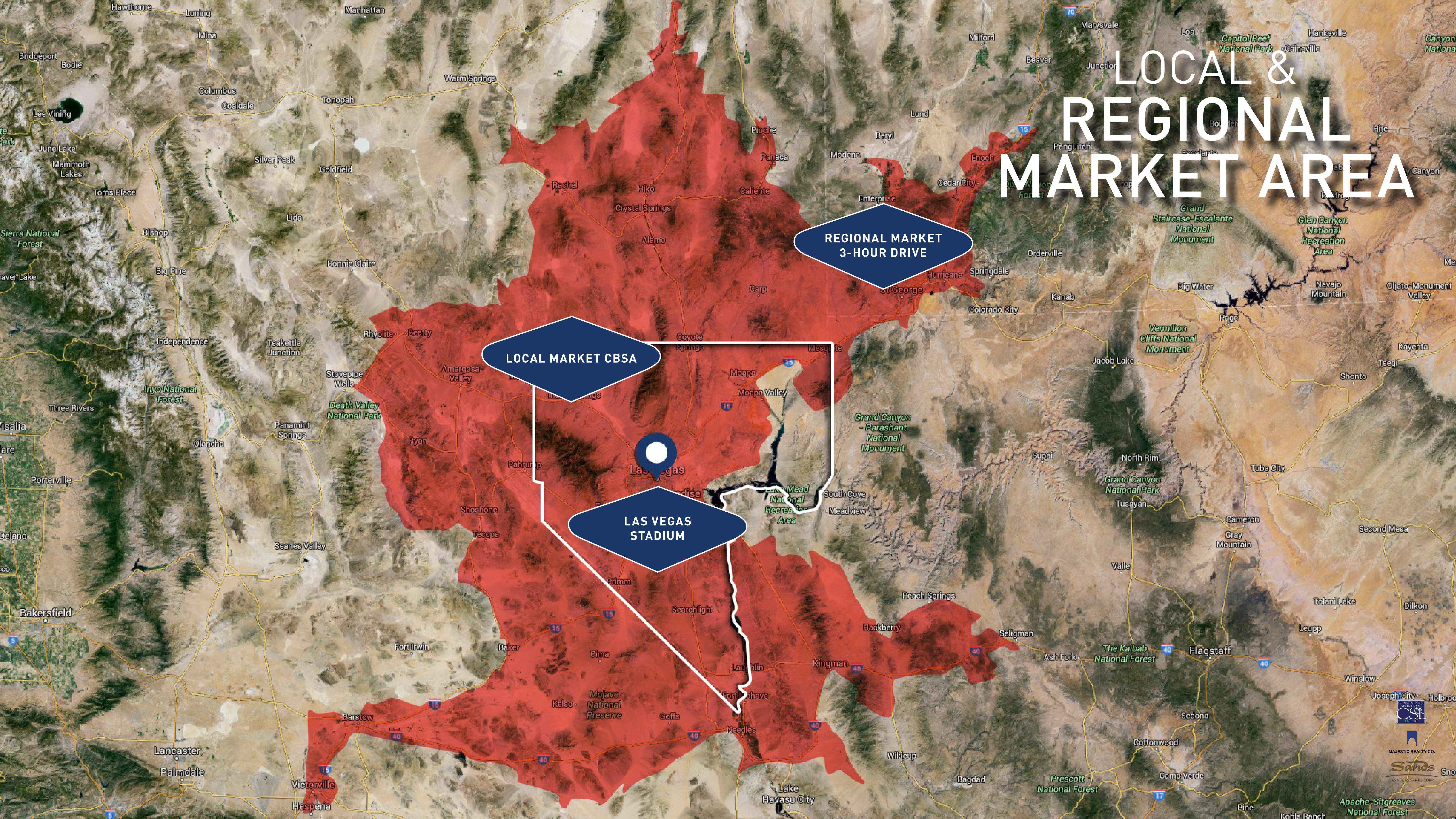


3 LOCAL MARKET CHARACTERISTICS

CONVENTIONS SPORTS & LEISURE

MAJESTIC REALTY CO.

Sands LAS VEGAS SANDS CORP.


LOCAL &
REGIONAL
MARKET AREA
REGIONAL MARKET
3-HOUR DRIVE
LOCAL MARKET CBSA
LAS VEGAS
STADIUM

LOCAL & REGIONAL MARKET **CHARACTERISTICS**

POPULATION

LAS VEGAS METRO

2.1M residents

1.38% projected growth rate

3-HOUR DRIVE TIME

2.7M residents

1.32% projected growth rate

AGE

LAS VEGAS METRO

36.2 median age

42% ages 15 - 44

3-HOUR DRIVE TIME

36.7 median age

41% ages 15 - 44

HOUSEHOLD INCOME

LAS VEGAS METRO

2.1M median household income of $52,541

20% income above $100,000

3-HOUR DRIVE TIME

$50,422 median household income

CORPORATE BASE

LAS VEGAS METRO

1,223 companies

3-HOUR DRIVE TIME

1,274 companies

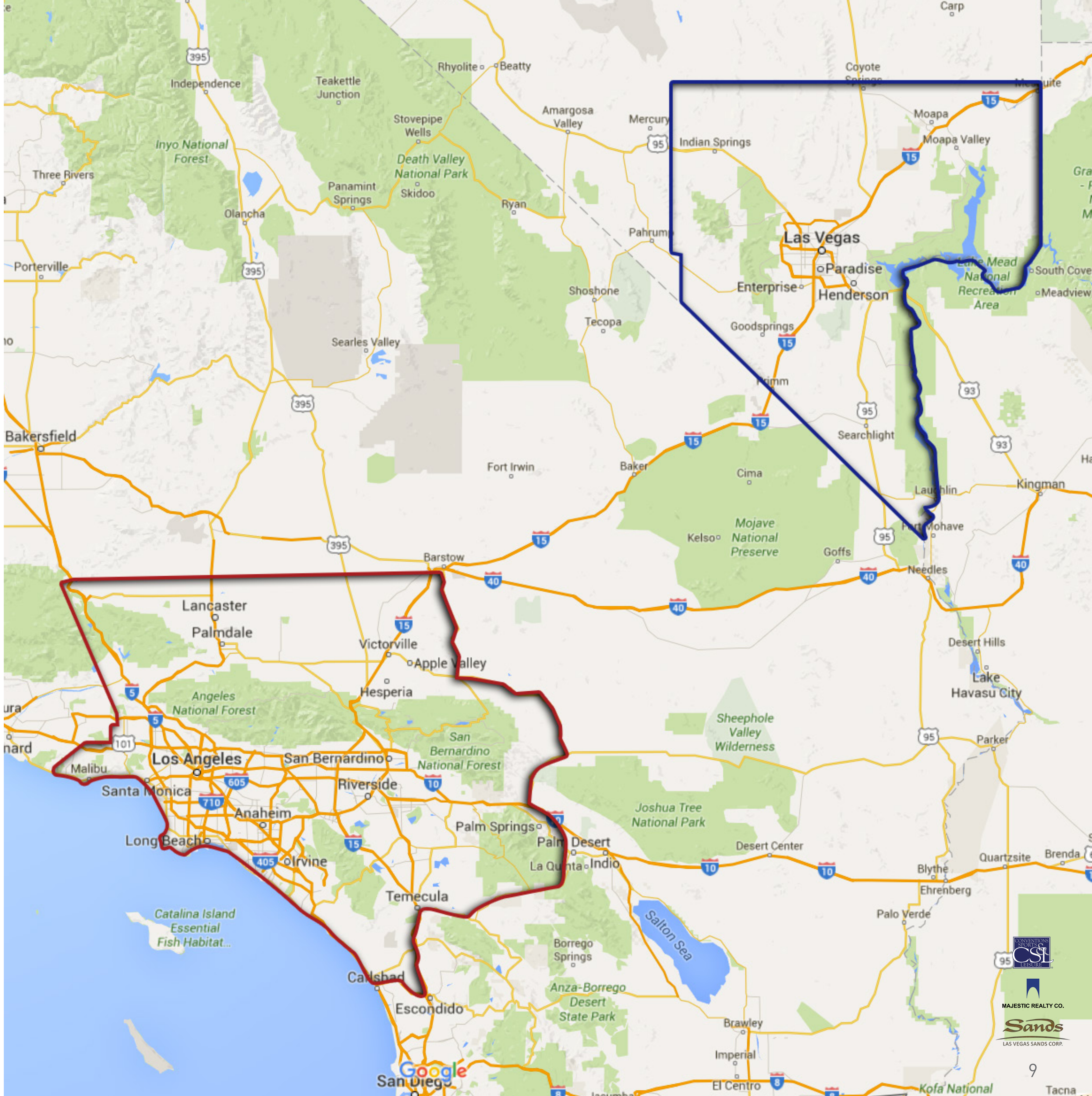
MAJESTIC REALTY CO.

Sands

LAS VEGAS SANDS CORP.

SOUTHERN CALIFORNIA **MARKET**

- Southern California is within a 4-hour drive time of Las Vegas.
- 27 percent of current visitors to Las Vegas come from Southern California.
- The Southern California market is home to 17.4 million residents.
- The Southern California market represents a large population conditioned to drive to Las Vegas from which a new stadium could draw attendance and spending.



TOURISM

42.3 MILLION VISITORS IN 2015

- 2.9 percent increase from 2014

45.4 MILLION TOTAL AIR PASSENGERS

149,000 HOTEL ROOMS

- 87.8 percent hotel occupancy
- $119.97 average daily rate

47.9 MILLION HOTEL ROOM NIGHTS

21,300 CONVENTIONS/MEETINGS HELD

- 5.9 million convention attendees

IN 2014 VISITORS SPENT THE FOLLOWING ON AVERAGE PER TRIP:

- $281.88 for food and drink
- $68.83 for local transportation
- $149.77 for shopping
- $47.56 for shows
- $14.49 for sightseeing
- 71 percent gamble and spend $530.11

MAJESTIC REALTY CO.

Sands LAS VEGAS SANDS CORP.

NFL MARKET COMPARISON
POPULATION

2.1M
2015 METRO POPULATION

23RD
NFL RANK

36%
BELOW LEAGUE MEDIAN

3.3M
MEDIAN

312,000
LOW

20.0M
HIGH

POPULATION NFL MARKETS		
Rank	Market	Population
1	New York	19,987,071
2	Los Angeles	13,146,389
3	Chicago	9,546,000
4	Dallas	6,888,007
5	Houston	6,316,000
6	Philadelphia	6,033,000
7	Washington	5,874,000
8	Miami	5,723,000
9	Atlanta	5,467,000
10	Boston	4,639,000
11	San Francisco	4,486,750
12	Phoenix	4,286,000
13	Detroit	4,255,000
14	Seattle	3,580,000
15	Minneapolis	3,428,000
16	San Diego	3,206,272
17	Tampa Bay	2,861,000
18	Baltimore	2,760,000
19	Denver	2,665,000
20	Pittsburgh	2,356,000
21	Charlotte	2,327,000
22	Cincinnati	2,140,000
23	Las Vegas	2,083,955
24	Cleveland	2,061,000
25	Kansas City	2,050,000
26	Indianapolis	1,944,000
27	Nashville	1,756,000
28	Jacksonville	1,390,000
29	New Orleans	1,248,000
30	Buffalo	1,129,000
31	Green Bay	312,000
	AVERAGE	**4,462,000**
	MEDIAN	**3,317,000**

Source: Esri

NFL MARKET COMPARISON
POPULATION PER FRANCHISE

2.1M
POPULATION PER FRANCHISE

1ST
NFL RANK

95%
ABOVE LEAGUE AVERAGE

1.1M
AVERAGE

312,000
LOW

1.8M
HIGH

POPULATION PER FRANCHISE
NFL MARKETS

Rank	Market	Population	Number of Franchises [1]	Population per Franchise
1	Las Vegas	2,083,955	1	2,083,955
2	New York	19,987,071	11	1,817,006
3	San Diego	3,206,272	2	1,603,136
4	Chicago	9,546,000	6	1,591,000
5	Houston	6,316,000	4	1,579,000
6	Los Angeles	13,146,389	9	1,460,710
7	Miami	5,723,000	4	1,430,750
8	Tampa Bay	2,861,000	2	1,430,500
9	Jacksonville	1,390,000	1	1,390,000
10	Baltimore	2,760,000	2	1,380,000
11	Dallas	6,888,007	5	1,377,601
12	Atlanta	5,467,000	4	1,366,750
13	Philadelphia	6,033,000	5	1,206,600
14	Seattle	3,580,000	3	1,193,333
15	Washington	5,874,000	5	1,174,800
16	Charlotte	2,327,000	2	1,163,500
17	Phoenix	4,286,000	4	1,071,500
18	Cincinnati	2,140,000	2	1,070,000
19	Detroit	4,255,000	4	1,063,750
20	Las Vegas	2,083,955	2	1,041,978
21	Indianapolis	1,944,000	2	972,000
22	Boston	4,639,000	5	927,800
23	San Francisco	4,486,750	5	897,350
24	Nashville	1,756,000	2	878,000
25	Pittsburgh	2,356,000	3	785,333
26	Cleveland	2,061,000	3	687,000
27	Minneapolis	3,428,000	5	685,600
28	Kansas City	2,050,000	3	683,333
29	New Orleans	1,248,000	2	624,000
30	Buffalo	1,129,000	2	564,500
31	Denver	2,665,000	5	533,000
32	Green Bay	312,000	1	312,000
	AVERAGE	**3,865,000**	**3**	**1,071,000**
	MEDIAN	**3,034,000**	**3**	**1,071,000**

(1) Includes only NFL, MLB, NBA, NHL and MLS franchises .
Source: Esri

Assumes NFL & NHL Franchises

NFL MARKET COMPARISON
MEDIAN AGE

36.3 YEARS
MEDIAN AGE

14TH
NFL RANK

37.2 YEARS
AVERAGE

33.2 YEARS
LOW

42.6 YEARS
HIGH

MEDIAN AGE
NFL MARKETS

Rank	Market	Median Age
1	Houston	33.2
2	Dallas	34.4
3	Phoenix	34.7
4	Atlanta	34.9
5	San Diego	35.3
6	Los Angeles	35.7
7	Denver	35.7
8	Chicago	35.8
9	Indianapolis	35.8
10	Nashville	35.8
11	Charlotte	36.1
12	Minneapolis	36.1
13	Washington	36.1
14	Las Vegas	36.3
15	Kansas City	36.5
16	Seattle	36.8
17	Cincinnati	37.0
18	New Orleans	37.0
19	Jacksonville	37.3
20	Green Bay	37.5
21	Baltimore	38.0
22	Philadelphia	38.0
23	New York	38.4
24	Boston	38.4
25	Detroit	39.0
26	San Francisco	39.1
27	Miami	39.8
28	Cleveland	40.5
29	Buffalo	40.6
30	Tampa Bay	41.3
31	Pittsburgh	42.6
	AVERAGE	**37.3**
	MEDIAN	**37.0**

Source: Esri

NFL MARKET COMPARISON
ADJUSTED MEDIAN HOUSEHOLD INCOME

$51,600
ADJUSTED HOUSEHOLD INCOME

19TH
NFL RANK

4%
BELOW LEAGUE AVERAGE

$53,600
AVERAGE

$36,300
LOW

$66,700
HIGH

ADJUSTED MEDIAN HOUSEHOLD INCOME
NFL MARKETS

Rank	Market	Median HH Income	Cost of Living Index	Adjusted Median HH Income
1	Dallas	$61,302	91.9	$66,700
2	Washington	90,420	140.1	64,500
3	Houston	58,640	92.2	63,600
4	Denver	62,300	103.2	60,400
5	Minneapolis	66,480	111.0	59,900
6	Indianapolis	51,720	87.2	59,300
7	Atlanta	55,800	95.6	58,400
8	Nashville	51,380	88.9	57,800
9	Cincinnati	53,960	93.8	57,500
10	Kansas City	55,600	97.8	56,900
11	Baltimore	66,700	119.4	55,900
12	Charlotte	51,960	93.2	55,800
13	Jacksonville	51,700	92.9	55,700
14	Boston	73,820	132.5	55,700
15	Pittsburgh	50,870	91.5	55,600
16	Green Bay	52,700	95.1	55,400
17	Seattle	66,840	121.4	55,100
18	Phoenix	52,170	100.7	51,800
19	Las Vegas	52,541	101.9	51,600
20	Buffalo	48,950	95.8	51,100
21	Detroit	50,770	99.4	51,100
22	Chicago	59,560	116.9	50,900
23	Tampa Bay	45,310	92.4	49,000
24	Cleveland	49,060	101.0	48,600
25	San Francisco	73,820	164.0	45,000
26	Philadelphia	60,230	126.5	47,600
27	San Diego	62,468	132.3	47,200
28	New Orleans	46,110	99.1	46,500
29	Miami	46,510	106.0	43,900
30	Los Angeles	59,157	136.4	43,400
31	New York	65,898	181.3	36,300
	AVERAGE	**$58,100**	**110.0**	**$53,600**
	MEDIAN	**$55,700**	**100.1**	**$55,500**

Source: United States Census Bureau Cost of Living Index; Esri

NFL MARKET COMPARISON
CORPORATE BASE

1,223
CORPORATE BASE

26TH
NFL RANK

64%
BELOW LEAGUE AVERAGE

3,403
AVERAGE

264
LOW

14,298
HIGH

CORPORATE BASE NFL MARKETS		
Rank	Market	Corporate Base
1	New York	14,298
2	Los Angeles	12,588
3	Chicago	7,889
4	Washington	4,991
5	Philadelphia	4,649
6	Boston	4,644
7	Houston	4,478
8	Dallas	4,465
9	Miami	3,676
10	Atlanta	3,455
11	Detroit	3,417
12	San Francisco	3,360
13	Minneapolis	3,273
14	San Diego	2,662
15	Seattle	2,454
16	Phoenix	2,427
17	Pittsburgh	1,986
18	Denver	1,934
19	Baltimore	1,917
20	Cleveland	1,768
21	Cincinnati	1,639
22	Tampa Bay	1,622
23	Kansas City	1,593
24	Charlotte	1,479
25	Indianapolis	1,397
26	Las Vegas	1,223
27	Nashville	1,215
28	Buffalo	973
29	Jacksonville	791
30	New Orleans	779
31	Green Bay	264
	AVERAGE	**3,403**
	MEDIAN	**2,441**

Source: Hoover's

NFL MARKET COMPARISON
CORPORATE BASE PER FRANCHISE

1,223
CORPORATE BASE

5TH
NFL RANK

51%
ABOVE LEAGUE AVERAGE

811
AVERAGE

264
LOW

1,399
HIGH

CORPORATE BASE PER FRANCHISE
NFL MARKETS

Rank	Market	Corporate Base	Number of Franchises [1]	Corporate Base per Franchise
1	Los Angeles	12,588	9	1,399
2	San Diego	2,662	2	1,331
3	Chicago	7,889	6	1,315
4	New York	14,298	11	1,300
5	Las Vegas	1,223	1	1,223
6	Houston	4,478	4	1,120
7	Washington	4,991	5	998
8	Baltimore	1,917	2	959
9	Philadelphia	4,649	5	930
10	Boston	4,644	5	929
11	Miami	3,676	4	919
12	Dallas	4,465	5	893
13	Atlanta	3,455	4	864
14	Detroit	3,417	4	854
15	Cincinnati	1,639	2	820
16	Seattle	2,454	3	818
17	Tampa Bay	1,622	2	811
18	Jacksonville	791	1	791
19	Charlotte	1,479	2	740
20	Indianapolis	1,397	2	699
21	San Francisco	3,360	5	672
22	Pittsburgh	1,986	3	662
23	Minneapolis	3,273	5	655
24	Las Vegas	1,223	2	612
25	Nashville	1,215	2	608
26	Phoenix	2,427	4	607
27	Cleveland	1,768	3	589
28	Kansas City	1,593	3	531
29	Buffalo	973	2	487
30	New Orleans	779	2	390
31	Denver	1,934	5	387
32	Green Bay	264	1	264
	AVERAGE	**3,403**	**4**	**811**
	MEDIAN	**2,441**	**4**	**815**

(1) Includes only NFL, MLB, NBA, NHL and MLS franchises .
Source: Hoover's

Assumes NFL & NHL Franchises

4 HISTORICAL UNLV VENUE ANALYSIS

SAM BOYD STADIUM

UNLV FOOTBALL, USA SEVENS RUGBY, LAS VEGAS BOWL

YEAR OPENED	1971
LOCATION	LAS VEGAS, NV
SEATING CAPACITY	40,000
PARKING	13,800
TENANTS	UNLV FOOTBALL, USA SEVENS RUGBY, LAS VEGAS BOWL
ADDITIONAL EVENTS	LAS VEGAS ALL-AMERICAN CLASSIC, AMA SUPERCROSS SERIES FINAL, MONSTER JAM WORLD FINALS
OWNER	UNLV
OPERATOR	UNLV
PROJECT COST	$3.5 MILLION

- Renovated in 1998
  - 9,000 seats
  - New concourse
  - Upgraded restrooms, concession stand and a new playing surface.
  - 16 suites
  - 488 club seats

THOMAS & MACK CENTER

UNLV BASKETBALL, NATIONAL FINALS RODEO

YEAR OPENED	1983
LOCATION	LAS VEGAS, NV
SEATING CAPACITY	17,900 (Basketball)
PARKING	6,300
TENANTS	UNLV BASKETBALL, NATIONAL FINALS RODEO
OWNER	UNLV
OPERATOR	UNLV
PROJECT COST	$30 MILLION

- 30 suites - 10 to 20 guests.
- No club seating.
- $72.5 million renovation completed by September 2016.
  - State appropriated funds.
  - Widening of the concourse, additional escalators, updated concessions and a 36,000 square foot addition that includes an observation deck overlooking the Las Vegas Strip.
  - Mechanical/electrical work.
  - New arena seating and locker room and restroom upgrades.

COX PAVILION

UNLV WOMEN'S BASKETBALL & VOLLEYBALL

YEAR OPENED	2001
LOCATION	LAS VEGAS, NV
SEATING CAPACITY	2,500 (Basketball)
TENANTS	UNLV WOMEN'S BASKETBALL & VOLLEYBALL
OWNER	UNLV
OPERATOR	UNLV
PROJECT COST	$16.8 MILLION

- Naming rights: $5 million deal with Cox Communications
- NBA Summer League games, basketball, volleyball, boxing, concerts and family shows.

EVENTS & ATTENDANCE

NUMBER OF EVENTS

THOMAS AND MACK CENTER - **135**

COX PAVILION - **43**

SAM BOYD STADIUM - **21**

AVERAGE ATTENDANCE

THOMAS AND MACK CENTER - **6,185**

COX PAVILION - **647**

SAM BOYD STADIUM - **12,918**

	Sam Boyd Stadium			Thomas & Mack Center			Cox Pavillion		
Event Type	Events	Average Attendance	Total Attendance	Events	Average Attendance	Total Attendance	Events	Average Attendance	Total Attendance
Football	7	11,947	83,629	0	0	0	0	0	0
Basketball	0	0	0	30	6,003	180,100	13	818	10,631
Family Shows	0	0	0	22	3,917	86,166	0	0	0
Rodeo Events	0	0	0	26	10,445	271,570	0	0	0
Other Sports	3	17,067	51,202	22	4,841	106,509	8	647	5,173
Motorsports	5	18,690	93,448	0	0	0	0	0	0
Other UNLV Events	0	0	0	7	5,680	39,761	13	602	7,826
WWE	0	0	0	2	6,693	13,386	0	0	0
Local Events	0	0	0	13	5,272	68,532	1	800	800
Other Events	6	7,167	43,000	15	5,420	81,300	8	426	3,410
Total	21	12,918	271,279	137	6,185	847,324	43	647	27,840

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UNLV FACILITY **EVENTS**

SAM BOYD STADIUM

Overall turnstile attendance for 2015 was **271,279**.

UNLV Football had the highest attendance with **83,629** attendees over 7 games (**11,947 average**).

THOMAS & MACK CENTER

Overall turnstile attendance for 2015 was **847,324**.

Rodeo Events had the highest attendance with **271,570** over 26 events, followed by UNLV basketball with **180,100 attendees** over 30 basketball games and events (6,003)

Thomas and Mack Center Events

Event	Turnstile Attendance
WRANGLER NATIONAL FINALS RODEO 2014	161,940
UNLV BASKETBALL 2014-15 SEASON	135,998
HIGH SCHOOL GRADUATIONS 2015	61,532
LONGINES WORLD CUP FINALS LAS VEGAS 2015	55,285
PBR WORLD CHAMPIONSHIP FINALS 2014	54,345
SAMSUNG NBA SUMMER LEAGUE 2014	48,820
MWC BASKETBALL TOURNAMENT 2015	44,102
DISNEY 2015 "Let's Celebrate" ON ICE	33,903
STATE FARM INSURANCE CONVENTION 2014	30,000
MARVEL UNIVERSE LIVE! TOUR 2015	29,479
SIGNATURE EQUIPO VISION CONVENTION 2015 (CATERING)	27,000
AFL 2015 - LAS VEGAS OUTLAWS SEASON	24,935
RINGLING BROS. CIRCUS 2015 "CIRCUS XTREME!"	22,784
UNLV COMMENCEMENT 2015 - SPRING	21,000
TUFF-N-UFF (FUTURE STARS OF MMA) EVENTS 2015	14,500
CISCO GXS CONCERT 2014	14,000
USA BASKETBALL SHOWCASE (BLUE V. WHITE)	10,385
W.W.E. 2014 "MONDAY NIGHT RAW"	8,876
UNLV COMMENCEMENT 2014 - WINTER	8,500
PROJECT 50 THOUSAND CONFERENCE 2015	8,000
CSN GRADUATION 2015	7,000
HISPANIC BACCALAUREATE CEREMONY 2015	7,000
JAMFEST NATIONAL - LAS VEGAS 2015 (TMC)	5,000
WWE 2015 SUMMERSLAM HEATWAVE TOUR	4,510
UNLV CREATES - UNLV WELCOME DAY 2014	3,261
LAS VEGAS SIN (LEGENDS FB GAME) 2014	2,869
LYONESS SENSATION 2015	2,300

Sam Boyd Stadium Events

Event	Turnstile Attendance
UNLV FOOTBALL 2014 SEASON	60,339
MONSTER JAM WORLD TRUCK FINALS XVI 2015	53,328
USA SEVENS INTERNATIONAL RUGBY 2015	51,202
STATE FARM INSURANCE CONVENTION 2014	30,000
ROYAL PURPLE LAS VEGAS BOWL 2014 - XXIII	23,290
SUPERCROSS MONSTER ENERGY CUP FINALS 2014 (OCT)	20,727
MONSTER ENERGY AMA SUPERCROSS CUP FINALS 2015	19,393
BLACKLIGHT 5K FOAM GLOW RUN (SBS PARKING LOT)	7,000
BLACKLIGHT 5K RUN 2015	6,000

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UNLV FINANCIALS

TOTAL OPERATING REVENUE

COX PAVILION – **$1,608,000**
T&M CENTER - **$23,399,000**
SAM BOYD - **$8,531,000**

TOTAL EXPENSE

COX PAVILION - **$1,158,000**
T&M CENTER - **$12,298,000**
SAM BOYD - **$4,634,000**

NET OPERATING INCOME

COX PAVILION - **$450,000**
T&M CENTER - **$11,101,000**
SAM BOYD - **$3,897,000**

UNLV Center Corporation
2015 Combined Financials

	Cox Pavilion	Thomas and Mack Center	Sam Boyd Stadium	Combined
OPERATING REVENUES				
Rent and Reimbursements	$632,000	$4,967,000	$1,355,000	$6,954,000
Event Catering	81,000	4,724,000	1,083,000	5,888,000
Ticket Fees	313,000	2,335,000	1,639,000	4,287,000
Paid Parking	48,000	347,000	188,000	584,000
Concessions	494,000	4,505,000	2,569,000	7,568,000
Corporate Sales	N/A	6,193,000	1,541,000	7,734,000
Novelty	29,000	179,000	102,000	311,000
Interest and Other Income	10,000	148,000	54,000	212,000
Total Operating Revenues	**$1,608,000**	**$23,399,000**	**$8,531,000**	**$33,537,000**
OPERATING EXPENSES				
Direct Event Expense	$599,000	$4,708,000	$1,284,000	$6,591,000
Catering COGS	48,000	2,812,000	645,000	3,505,000
Ticketing	157,000	1,171,000	822,000	2,150,000
Parking	45,000	323,000	176,000	544,000
Concessions	294,201	2,685,000	1,531,000	4,510,000
Corporate Sales	N/A	512,000	127,000	640,000
Novelty	14,000	88,000	50,000	152,000
Total Operating Expenses	**$1,158,000**	**$12,298,000**	**$4,634,000**	**$18,090,000**
Net Operating Income/(Loss)	*$450,000*	*$11,100,000*	*$3,897,000*	*$15,447,000*
Other Overhead Expense not allocated by venue*				**11,102,000**
Net Operating Income less Other Overhead				**4,346,000**

**Does not include capital expenditures or depreciation*

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5 LAS VEGAS AREA VENUES

CONVENTIONS SPORTS & LEISURE

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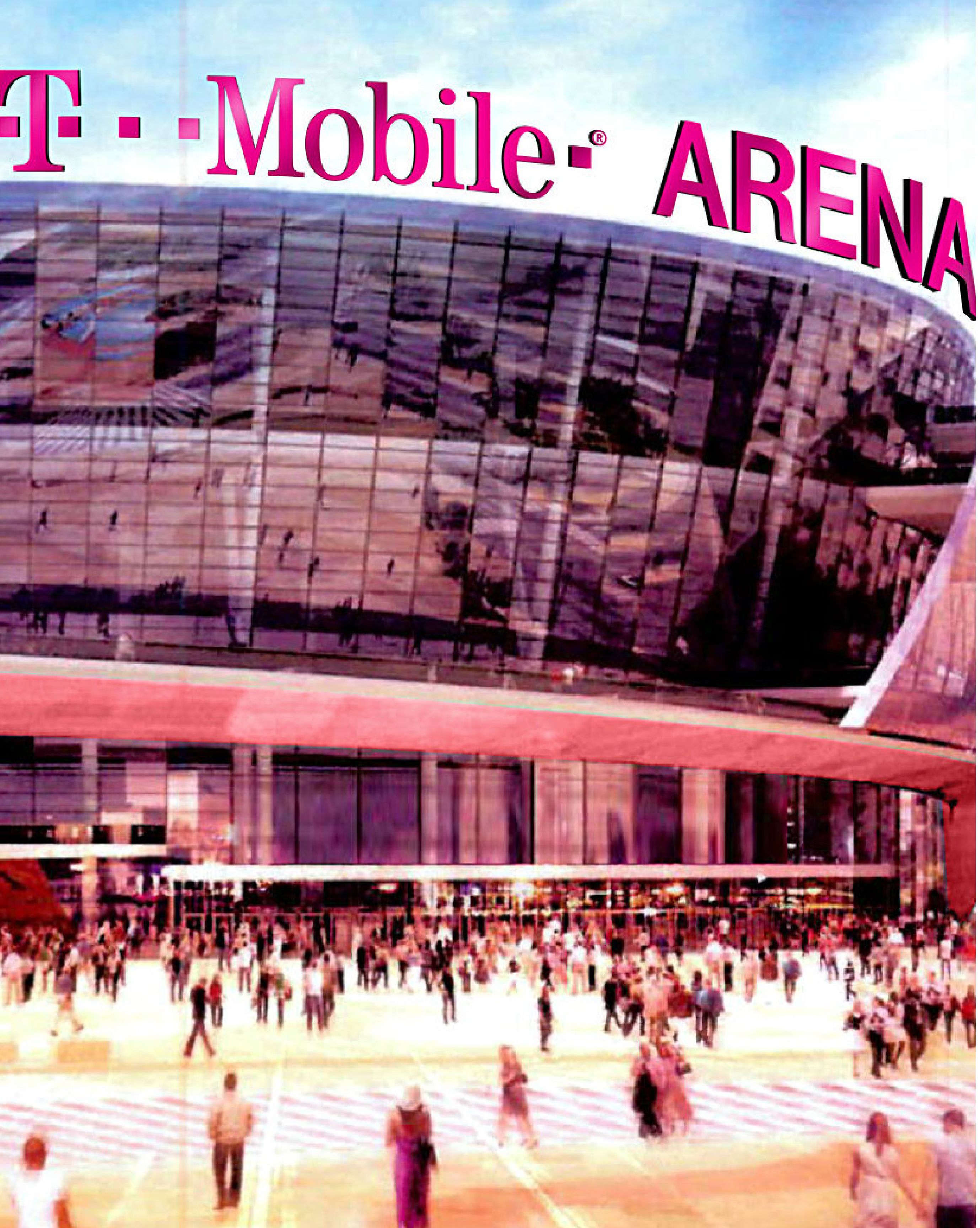
LAS VEGAS AREA VENUES



T-MOBILE ARENA

YEAR OPENED	2016 (EST.)
LOCATION	LAS VEGAS, NV
SEATING CAPACITY	19,500 (Center Stage Events)
TENANTS:	N/A
OWNER	MGM RESORTS INT'L / AEG
OPERATOR	MGM RESORTS INT'L / AEG
PROJECT COST	$375 MILLION

- New 18,500 seat arena at MGM.
- Estimated to open 2016 at a cost of $375 million.
- AEG and MGM are privately funding the arena.
- Additional private third-party debt financing.
- Amenities
  - High end premium seating, including 8 bunker suites, 42 suites, 22 loge boxes, 24 4-seat terrace tables and VIP seats
  - Suite Pricing: $170,000 - $235,000
  - Loge Box Pricing: $40,000 - $100,000
  - PSL Pricing: $35,000
  - Seven-story atrium with an array of balconies.
- Designed to accommodate NBA and NHL games.
- Will open without a professional basketball or hockey club as a tenant.
- Most comparable to the Sprint Center in Kansas City, Mo.
  - Hosts an average of 120 events per year.
  - No NBA or NHL tenant.
- Will attempt to host 100 events per year.
- Concerts, boxing, mixed martial arts, sports, awards shows and other event.

6 COMPARABLE FACILITY STADIUMS

CONVENTIONS SPORTS & LEISURE CSL

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Sands LAS VEGAS SANDS CORP.

NFL STADIUM OVERVIEW

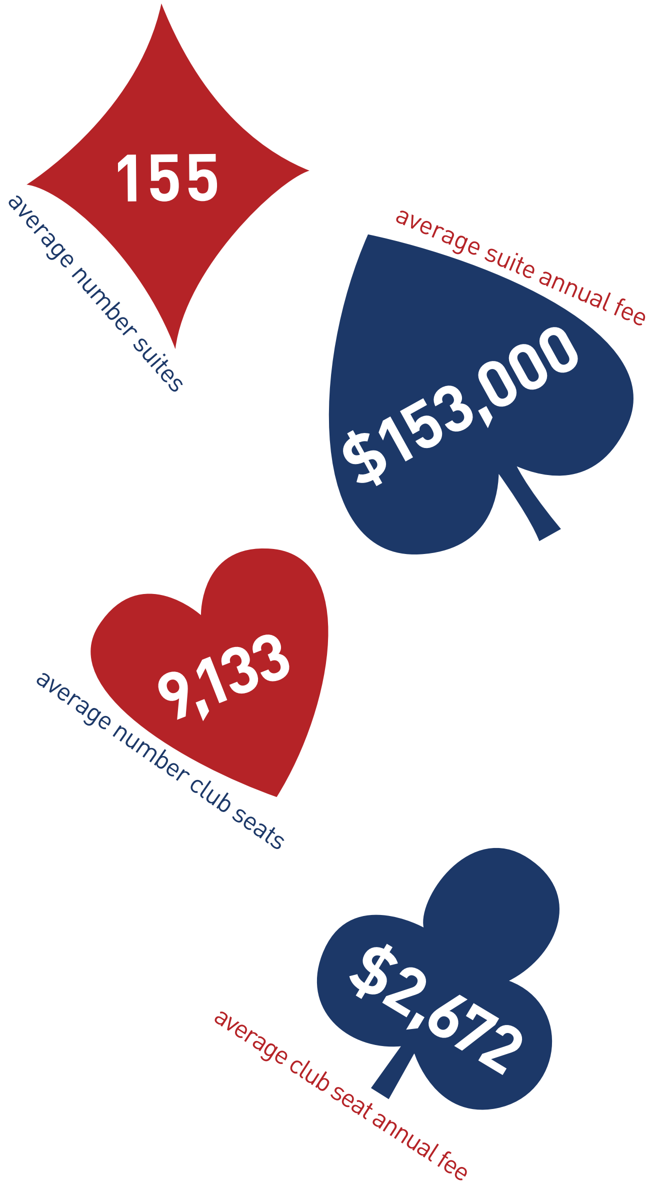
70,892
average capacity

1.7M
average square footage

2003
average year opened/renovated

NFL STADIUM OVERVIEW				
Stadium	**Team**	**Capacity**	**Building Square Footage**	**Year Opened/ Renovated**
FedEx Field	Washington Redskins	85,000	1,800,000	1997
MetLife Stadium	New York Giants/Jets	82,566	2,100,000	2010
Lambeau Field	Green Bay Packers	80,750	1,695,000	1957/2003
AT&T Stadium	Dallas Cowboys	80,000	3,000,000	2009
New Inglewood Stadium	Los Angeles Rams	80,000	3,100,000	2019 (est.)
Arrowhead Stadium	Kansas City Chiefs	76,416	1,620,000	1972/2010
Sports Authority Field at Mile High	Denver Broncos	76,125	1,800,000	2001
Sun Life Stadium	Miami Dolphins	76,100	1,500,000	1987
Bank of America Stadium	Carolina Panthers	73,778	1,600,000	1996
Mercedes-Benz Superdome	New Orleans Saints	73,208	1,900,000	1975/2011
FirstEnergy Stadium	Cleveland Browns	73,200	1,640,000	1999
Ralph Wilson Stadium	Buffalo Bills	71,870	900,000	1973/1999
NRG Stadium	Houston Texans	71,054	1,900,000	2002
M&T Bank Stadium	Baltimore Ravens	71,008	1,600,000	1998
Mercedes-Benz Stadium	Atlanta Falcons	71,000	1,900,000	2017
Qualcomm Stadium	San Diego Chargers	70,561	1,100,000	1967/1997
Nissan Stadium	Tennessee Titans	69,143	1,500,000	1999
Gillette Stadium	New England Patriots	68,756	1,900,000	2002
Lincoln Financial Field	Philadelphia Eagles	68,532	1,700,000	2003
Levi's Stadium	San Francisco 49ers	68,500	1,900,000	2014
EverBank Field	Jacksonville Jaguars	67,164	1,500,000	1946/1995
CenturyLink Field	Seattle Seahawks	67,000	900,000	2002
Raymond James Stadium	Tampa Bay Buccaneers	65,890	1,300,000	1998
Paul Brown Stadium	Cincinnati Bengals	65,535	1,850,000	2000
Heinz Field	Pittsburgh Steelers	65,050	1,490,000	2001
U.S. Bank Stadium	Minnesota Vikings	65,000	1,600,000	2016
Ford Field	Detroit Lions	65,000	1,900,000	2002
O.co Coliseum	Oakland Raiders	63,132	1,500,000	1966/1995
Lucas Oil Field	Indianapolis Colts	62,421	1,800,000	2008
University of Phoenix Stadium	Arizona Cardinals	62,400	1,700,000	2006
Soldier Field	Chicago Bears	61,500	1,441,000	1924/2003
AVERAGE		**70,892**	**1,714,065**	**2003**

NFL PREMIUM SEATING



NFL PREMIUM SEATING SUMMARY

Franchise	Facility	Year Built	Private Suites: Total # of Suites	Private Suites: Average Annual Fee	Private Suites: Potential Annual Revenue	Club Seats: Total# of Club Seats	Club Seats: Average Annual Fee	Potential Annual Revenue	Total Potential Premium Seating Revenue
Dallas Cowboys	AT&T Stadium	2009	380	$300,000	$114,000,000	14,177	$3,370	$47,708,600	$161,709,000
New York Giants	MetLife Stadium (Giants)	2010	213	494,000	52,611,000	8,608	4,500	38,716,000	91,327,000
New York Jets	MetLife Stadium (Jets)	2010	213	494,000	52,611,000	10,211	3,560	36,399,100	89,010,000
Washington Redskins	FedEx Field	1997	208	151,000	31,480,000	14,058	3,900	54,885,450	86,365,000
San Francisco 49ers	Levi's Stadium	2014	165	300,000	49,500,000	9,000	3,750	33,750,000	83,250,000
Atlanta Falcons	Mercedes-Benz Stadium	2017	190	206,000	39,140,000	7,500	3,550	26,625,000	65,765,000
New England Patriots	Gillette Stadium	2002	80	188,000	15,000,000	5,700	5,930	33,791,750	48,792,000
Philadelphia Eagles	Lincoln Financial Field	2003	171	143,000	24,445,000	8,447	2,850	24,088,450	48,533,000
Tampa Bay Buccaneers	Raymond James Stadium	1998	197	105,000	20,705,000	12,218	2,260	27,621,750	48,327,000
Chicago Bears	Soldier Field	1924/2003	133	151,000	20,142,000	8,651	3,250	28,086,300	48,228,000
Houston Texans	NRG Stadium	2002	185	156,000	28,804,000	9,436	2,030	19,184,090	47,988,000
New Orleans Saints	Mercedes-Benz Superdome	1	137	80,000	10,960,000	16,140	2,270	36,650,840	47,611,000
Miami Dolphins	Sun Life Stadium	1987	195	97,000	18,833,000	10,213	2,560	26,094,215	44,927,000
Minnesota Vikings	U.S. Bank Stadium	2016	125	166,000	20,750,000	7,500	3,000	22,500,000	43,250,000
Carolina Panthers	Bank of America Stadium	1996	157	92,000	14,404,000	11,303	2,200	24,877,200	39,281,000
Indianapolis Colts	Lucas Oil Stadium	2008	140	127,000	17,848,000	7,269	2,660	19,360,230	37,208,000
Baltimore Ravens	M&T Bank Stadium	1998	122	138,000	16,887,000	8,108	2,420	19,608,550	36,496,000
Denver Broncos	Sports Authority Field at Mile High	2001	115	123,000	14,178,000	8,155	2,720	22,157,814	36,336,000
Tennessee Titans	Nissan Stadium	1999	171	78,000	13,282,000	11,672	1,650	19,252,510	32,535,000
Jacksonville Jaguars	EverBank Field	1946/1995	89	110,000	9,782,000	11,772	1,740	20,519,080	30,301,000
Seattle Seahawks	CenturyLink Field	2002	112	105,000	11,729,000	7,833	2,330	18,254,500	29,984,000
Pittsburgh Steelers	Heinz Field	2001	129	88,000	11,311,000	8,033	2,300	18,459,000	29,770,000
San Diego Chargers	Qualcomm Stadium	1967/1997	113	110,000	12,430,000	7,668	2,250	17,238,100	29,668,000
Cincinnati Bengals	Paul Brown Stadium	2000	132	116,000	15,247,000	7,793	1,830	14,296,100	29,543,000
Green Bay Packers	Lambeau Field	1957/2003	166	79,000	13,038,000	6,191	2,500	15,448,720	28,487,000
Kansas City Chiefs	Arrowhead Stadium	1972/2010	111	123,000	13,653,000	6,912	2,030	14,052,370	27,705,000
Arizona Cardinals	University of Phoenix Stadium	2006	108	99,000	10,733,000	7,357	2,180	16,060,132	26,793,000
Cleveland Browns	FirstEnergy Stadium	1999	145	81,000	11,703,000	8,345	1,790	14,905,760	26,609,000
Buffalo Bills	Ralph Wilson Stadium	1973/1999	132	82,000	10,800,000	9,011	1,730	15,599,220	26,399,000
Detroit Lions	Ford Field	2002	127	96,000	12,133,000	7,312	1,430	10,468,400	22,601,000
Oakland Raiders	O.co Coliseum	1966/1995	143	56,000	7,965,000	6,515	1,370	8,922,750	16,888,000
Los Angeles Rams	New Inglewood Stadium	2019	n/a	n/a	n/a	n/a	n/a	n/a	n/a
AVERAGE			**155**	**$153,000**	**$23,100,000**	**9,133**	**$2,672**	**$24,051,000**	**$47,151,000**

Source: NFL ticket manifest and premium seating representatives at NFL teams.

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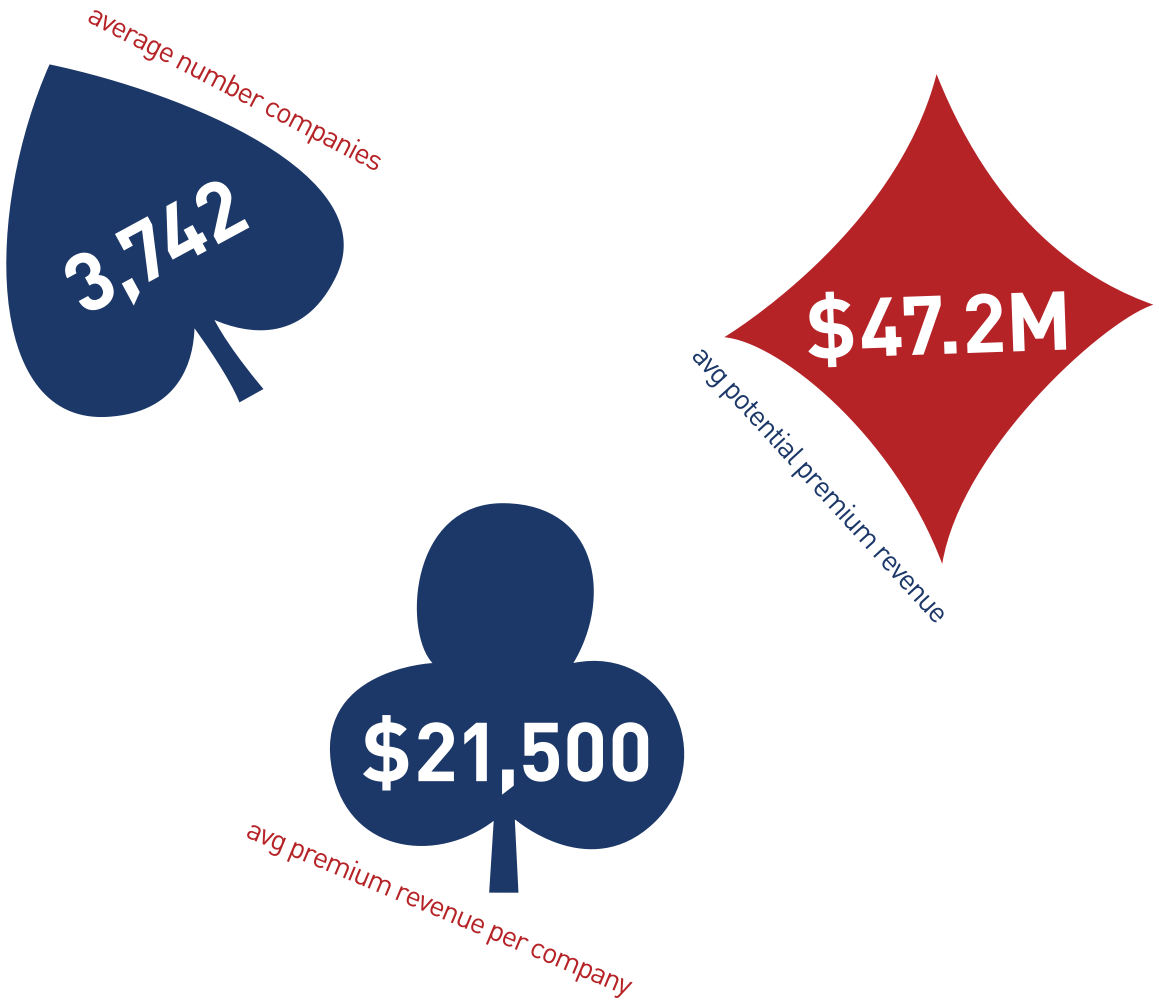
PREMIUM SEATING REVENUE PER CORPORATION

TOTAL PREMIUM SEAT REVENUE PER COMPANY NFL STADIUMS			
Facility	Corporate Base [1]	Total Potential Premium Seating Revenue	Premium Seating Revenue Per Company
O.co Coliseum	3,360	$16,888,000	$5,026
Soldier Field	7,889	48,228,000	6,113
MetLife Stadium (Jets)	14,298	89,010,000	6,225
MetLife Stadium (Giants)	14,298	91,327,000	6,387
Ford Field	3,417	22,601,000	6,614
Lincoln Financial Field	4,649	48,533,000	10,439
Gillette Stadium	4,644	48,792,000	10,506
NRG Stadium	4,478	47,988,000	10,716
University of Phoenix Stadium	2,427	26,793,000	11,040
Qualcomm Stadium	2,662	29,668,000	11,145
CenturyLink Field	2,454	29,984,000	12,218
Sun Life Stadium	3,676	44,927,000	12,222
U.S. Bank Stadium	3,273	43,250,000	13,214
Heinz Field	1,986	29,770,000	14,990
FirstEnergy Stadium	1,768	26,609,000	15,050
FedEx Field	4,991	86,365,000	17,304
Arrowhead Stadium	1,593	27,705,000	17,392
Paul Brown Stadium	1,639	29,543,000	18,025
Sports Authority Field at Mile High	1,934	36,336,000	18,788
Mercedes-Benz Stadium	3,455	65,765,000	19,035
M&T Bank Stadium	1,917	36,496,000	19,038
Levi's Stadium	3,360	83,250,000	24,777
Bank of America Stadium	1,479	39,281,000	26,559
Lucas Oil Stadium	1,397	37,208,000	26,634
Nissan Stadium	1,215	32,535,000	26,778
Ralph Wilson Stadium	973	26,399,000	27,132
Raymond James Stadium	1,622	48,327,000	29,795
AT&T Stadium	4,465	161,709,000	36,217
EverBank Field	791	30,301,000	38,307
Mercedes-Benz Superdome	779	47,611,000	61,118
Lambeau Field	264	28,487,000	107,905
New Inglewood Stadium	12,588	n/a	n/a

Source: Hoover's
(1) Corporate inventory includes companies with annual sales of $5.0 million and 25 employees.



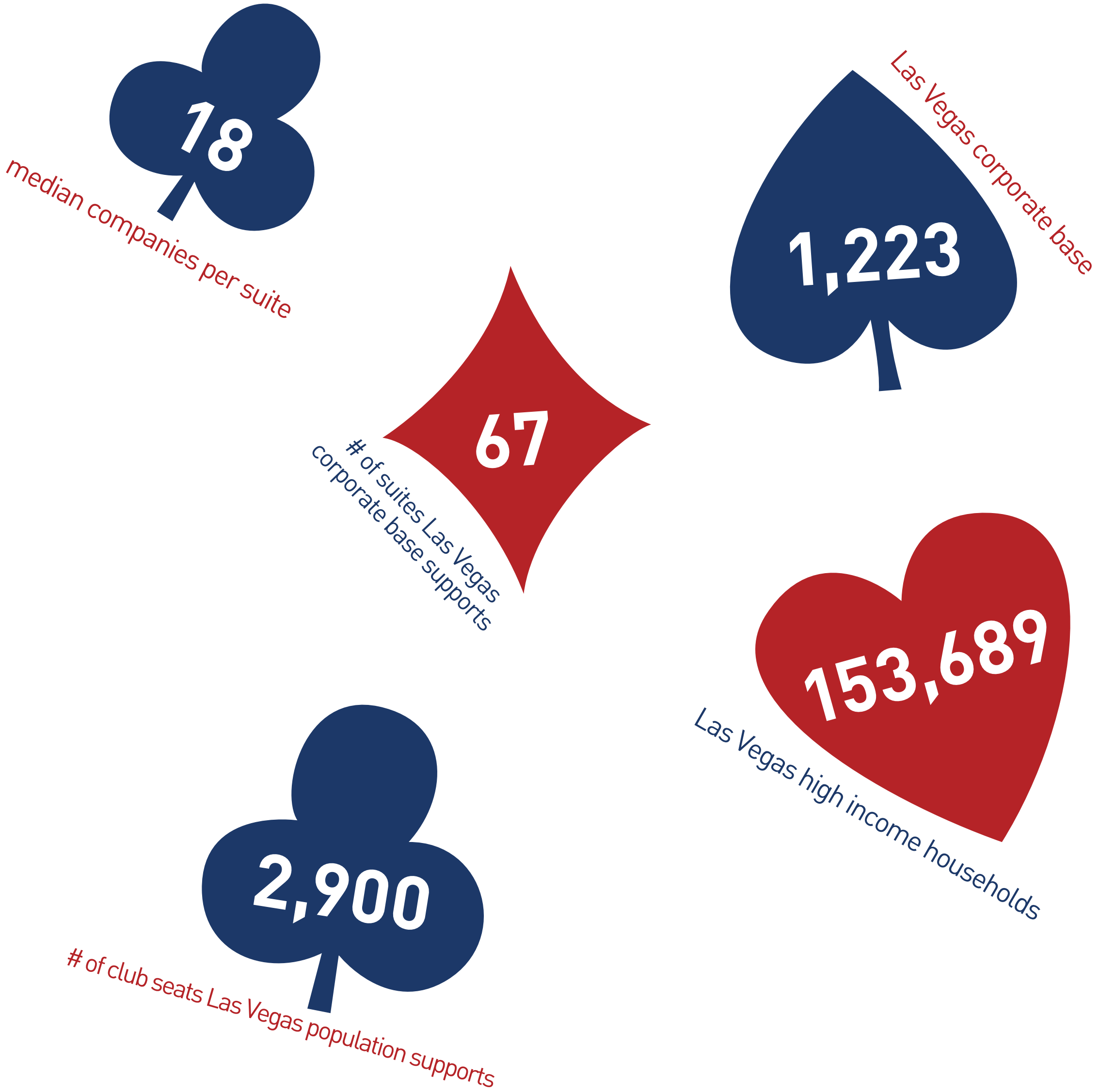
PREMIUM SEATING PENETRATION ANALYSIS

PREMIUM SEATING PENETRATION ANALYSIS NFL STADIUMS	Suites			Club Seats		
Facility	Corporate Base [1]	Suite Inventory	Companies Per Suite	High Income Households [2]	Club Seat Inventory	High Income Households Per Seat
MetLife Stadium (Giants)	14,298	213	67	2,637,885	8,608	306
MetLife Stadium (Jets)	14,298	213	67	2,637,885	10,211	258
Soldier Field	7,889	133	59	1,018,896	8,651	118
Gillette Stadium	4,644	80	58	876,903	5,700	154
Lincoln Financial Field	4,649	171	27	873,996	8,447	103
Ford Field	3,417	127	27	443,328	7,312	61
U.S. Bank Stadium	3,273	125	26	497,100	7,500	66
NRG Stadium	4,478	185	24	680,438	9,436	72
FedEx Field	4,991	208	24	1,086,990	14,058	77
Qualcomm Stadium	2,662	113	24	337,922	7,668	44
O.co Coliseum	3,360	143	23	1,080,535	6,515	166
University of Phoenix Stadium	2,427	108	22	403,836	7,357	55
CenturyLink Field	2,454	112	22	567,321	7,833	72
Levi's Stadium	3,360	165	20	1,080,535	9,000	120
Sun Life Stadium	3,676	195	19	325,108	10,213	32
Mercedes-Benz Stadium	3,455	190	18	572,830	7,500	76
Sports Authority Field at Mile High	1,934	115	17	480,036	8,155	59
M&T Bank Stadium	1,917	122	16	359,998	8,108	44
Heinz Field	1,986	129	15	242,660	8,033	30
Arrowhead Stadium	1,593	111	14	220,326	6,912	32
Paul Brown Stadium	1,639	132	12	211,176	7,793	27
FirstEnergy Stadium	1,768	145	12	299,090	8,345	36
AT&T Stadium	4,465	380	12	753,757	14,177	53
Lucas Oil Stadium	1,397	140	10	212,750	7,269	29
Bank of America Stadium	1,479	157	9	236,180	11,303	21
EverBank Field	791	89	9	127,003	11,772	11
Raymond James Stadium	1,622	197	8	312,481	12,218	26
Ralph Wilson Stadium	973	132	7	120,231	9,011	13
Nissan Stadium	1,215	171	7	187,608	11,672	16
Mercedes-Benz Superdome	779	137	6	135,183	16,140	8
Lambeau Field	264	166	2	83,770	6,191	14
New Inglewood Stadium	12,588	n/a	n/a	1,657,680	n/a	n/a
AVERAGE	**3,742**	**155**	**22**	**648,795**	**9,133**	**71**
MEDIAN	**2,558**	**140**	**18**	**423,582**	**8,345**	**53**
PENETRATION ANALYSIS - MEDIAN						
LAS VEGAS	1,223	67		153,689	2,891	

Source: Esri; Hoover's

(1) Corporate inventory includes companies with annual sales of $5.0 million and 25 employees.

(2) High income households include households with a median income above $100,000.



MAJESTIC REALTY CO.

LAS VEGAS SANDS CORP.

WHY PURCHASE
NAMING RIGHTS?

CORPORATIONS OF ALL SIZES AND TYPES UTILIZE THE POWER OF NAMING RIGHTS FOR A VARIETY OF REASONS:

- Provides massive brand name exposure, visibility and awareness, usually on a year-round, long-term basis
- Establishes community relevance and leadership, and reinforces commitment to the region
- Provides a unique, clutter-free marketing platform that is essentially impervious to DVRs and other "ad-eliminators"
- Creates rare advertising opportunity that can build a significant emotional association with a vast fan base
- Provides meaningful, valuable and relevant business-building opportunities
- Complements other traditional advertising efforts by utilizing live sports & entertainment as an ancillary marketing platform
- Delivers high impact, iconic investment that provides clear differentiation between a corporation and their competitors
- Presents a pinnacle opportunity in sports marketing

NAMING RIGHTS COMPARATIVE ANALYSIS

NFL ATTENDANCE

NFL FUNDING

NFL STADIUM DEVELOPMENT

Stadium	Team	Year	Total Cost ($ millions)	Financing Participation: Public	Private	Public ($ millions)	Private ($ millions)
Mercedes-Benz Stadium	Atlanta Falcons	2017	$1,500.00	16%	84%	$240.00	$1,260.00
U.S. Bank Stadium	Minnesota Vikings	2016	$1,106.00	45%	55%	$498.00	$608.00
Levi's Stadium	San Francisco 49ers	2014	$1,273.00	1%	99%	$11.00	$1,262.00
Mercedes-Benz Superdome	New Orleans Saints	1975/2011	$336.00	4%	96%	$15.00	$321.00
MetLife Stadium	New York Giants/Jets	2010	$1,600.00	0%	100%	$0.00	$1,600.00
Arrowhead Stadium	Kansas City Chiefs	1972/2010	$375.00	67%	33%	$250.00	$125.00
AT&T Stadium	Dallas Cowboys	2009	$1,294.00	36%	64%	$465.00	$829.00
Lucas Oil Field	Indianapolis Colts	2008	$811.50	88%	12%	$711.50	$100.00
University of Phoenix Stadium	Arizona Cardinals	2006	$439.70	68%	32%	$300.00	$139.70
Lincoln Financial Field	Philadelphia Eagles	2003	$518.00	36%	64%	$188.00	$330.00
Lambeau Field	Green Bay Packers	1957/2003	$295.20	57%	43%	$169.10	$126.10
Soldier Field	Chicago Bears	1924/2003	$587.00	66%	34%	$387.00	$200.00
Ford Field	Detroit Lions	2002	$440.00	24%	76%	$105.00	$335.00
NRG Stadium	Houston Texans	2002	$449.00	43%	57%	$194.00	$255.00
Gillette Stadium	New England Patriots	2002	$412.00	17%	83%	$72.00	$340.00
CenturyLink Field	Seattle Seahawks	2002	$461.30	65%	35%	$300.30	$161.00
Sports Authority Field at Mile High	Denver Broncos	2001	$400.80	68%	32%	$274.00	$126.80
Heinz Field	Pittsburgh Steelers	2001	$280.80	61%	39%	$171.60	$109.20
Paul Brown Stadium	Cincinnati Bengals	2000	$449.80	94%	6%	$424.80	$25.00
FirstEnergy Stadium	Cleveland Browns	1999	$281.00	75%	25%	$210.00	$71.00
Nissan Stadium	Tennessee Titans	1999	$291.70	71%	29%	$206.90	$84.80
M&T Bank Stadium	Baltimore Ravens	1998	$226.00	90%	10%	$203.60	$22.40
Raymond James Stadium	Tampa Bay Buccaneers	1998	$194.00	100%	0%	$194.00	$0.00
FedEx Field	Washington Redskins	1997	$250.50	28%	72%	$70.50	$180.00
Bank of America Stadium	Carolina Panthers	1996	$242.90	23%	77%	$55.90	$187.00
		AVERAGE	**$580.61**	**50%**	**50%**	**$228.69**	**$351.92**
	AVERAGE (FACILITIES OPENED/RENOVATED SINCE 2010)		**$1,031.7**	**22%**	**78%**	**$169.0**	**$862.7**

Source: Municipal authorities, facility management, public records and industry publications. Amounts have not been audited or otherwise verified.
Sorted by year opened/renovated.

NFL SEAT LICENSE **PROGRAMS & REVENUES**

2017

$300M

2016

$125M

2014

$545M

2010

$400M

2010

$325M

2009

$550M

2003

$93M

2003

$71M

2003

$63M

2002


$77M

2002

$20M

2001

$39M

2000

$25M

1999

$39M

1999

$91M

1998

$69M

1996

$165M

1995

$78M

1995

$103M

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NFL SEAT LICENSE **PROGRAMS**

US BANK STADIUM SBL MAP

SEATING SECTION	SBL PRICE	2016 TICKET PRICE
CLUB SEATING		
FIELD CLUB	$9,500	$400
VALHALLA CLUB	$7,000	$350
VIKINGS CLUB	$4,500	$300
FIRE + ICE CLUB	$3,500	$200
SBL SEATING		
	$3,700	$160
	$2,700	$150
	$2,550	$120
ULT. FAN ZONE	$2,550	$110
	$2,250	$100
	$2,000	$100
	$1,750	$85
	$1,500	$85
	$1,250	$75
	$1,250	$75
	$1,000	$75
	$995	$65
	$750	$65
	$500	$50
NON-SBL SEATING		
	NON-SBL	TBD

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NFL SEAT LICENSE **PROGRAMS**

MERCEDES-BENZ STADIUM SBL MAP

PSL COST	TICKET COST
CLUB LEVEL	
$45K	$385
$20K	$365
$15K	$345
$10K	SOLD OUT
100 LEVEL	
$5.5K	$175
$3.5K	$125
$3K	$115
$2.5K	$100
200 LEVEL	
$5.5K	$150
$2.5K	$115
$2.5K	$95
300 LEVEL	
$2K	$95
$1.75K	$85
$1.5K	$80
$1.25K	$70
$500	SOLD OUT
$500	SOLD OUT

US BANK STADIUM

YEAR OPENED	2016
CAPACITY	68,500
SQUARE FOOTAGE	1.6 MILLION
PROJECT COST	$1,106 MILLION
% PRIVATE	55%
% PUBLIC	45%

Funding Sources	
Sources	
State of Minnesota	$498.0
Private Contribution	100.0
Team Contribution	494.0
Private Capital Investments	14.0
Total Sources ($M)	**$1,106.0**

Funding Summary:

Public contribution of $498 million (45 percent)

- $348 million from the State of Minnesota
- $150 million from the City of Minneapolis

Private funds will contribute approximately $608 million of funding (55 percent).

- $100 million from private contributions
- $494.0 million provided by the Vikings
- $14 million from other sources

US BANK STADIUM

PREMIUM SEATING

CLUB SEATS

Total Club Seats - **7,500**
Average Price per Club Seat - **$3,000**
Potential Club Seat Revenue - **$22.5M**

TOTAL PREMIUM REVENUE: **$43.3M**

SUITES

Total Suites - **125**
Average Price Per Suite - **$166,000**
Potential Suite Revenue - **$20.8M**

New Vikings Stadium will feature 125 suites that can accommodate 12 to 32 guests and lease for an average annual price of approximately $166,000

The stadium will place SBL fees on the majority of seats

- Ranging from a low of $500 in the upper deck corners/end zone to a high of $9,500 per seat in the Field Club
- The stadium will also offer non-SBL seating in upper deck areas along the corners and end zone.
- Vikings SBL revenue goal = $514 million

MERCEDES-BENZ STADIUM

YEAR OPENED	2017
CAPACITY	71,000 (expandable to 75,000)
SQ FOOTAGE	2.0 MILLION
PROJECT COST	$1,500 MILLION
% PRIVATE	84%
% PUBLIC	16%

Funding Sources	
Sources	
Falcons Equity & Seat Revenues *(PSL, Stadium Revenues)*	$960.0
City of Atlanta Hotel/Motel Tax	200.0
NFL Loan	200.0
State of Georgia	40.0
Total Sources ($M)	**$1,500.0**

Funding Summary:

- City of Atlanta contributed $200 million from hotel-motel taxes
- State of Georgia contributed $40 million for parking expansion
- NFL provided a loan of $200 million for construction costs to the Atlanta Falcons
- Remaining project costs financed privately through PSL sales and stadium revenues

MERCEDES-BENZ STADIUM

PREMIUM SEATING

CLUB SEATS

Total Club Seats - **7,500**
Average Price per Club Seat - **n/a**
Potential Club Seat Revenue - **n/a**

SUITES

Total Suites - **190**
Average Price Per Suite - **n/a**
Potential Suite Revenue - **n/a**

TOTAL PREMIUM REVENUE: **n/a**

PSL prices range from $500 to $5,500 per seat

Over 50 percent of PSLs for club seats sold in first four months of sales

Will host SEC Football Championship Game through 2026

LEVI'S STADIUM

YEAR OPENED	2014
CAPACITY	68,500
SQ FOOTAGE	1.9 MILLION
PROJECT COST	$1,273.0 MILLION
% PRIVATE	99%
% PUBLIC	1%

Funding Sources	
Sources	
49ers Loan	$621.0
NFL G-4 Financing	200.0
Suite Prepay and PSLs	441.0
City Contribution	11.0
Total Sources ($M)	**$1,273.0**
Uses	
Stadium Construction Under GMP	$1,198.0
Additional Programming	75.0
Total Uses	**$1,273.0**

Funding Summary:

- Goldman Sachs, along with 17 lenders, provided the loan
- The largest loan ever extended to a finance a stadium
- $201.4 million from revenues during construction
- NFL G-4 loan program accounted for $200.0 million in funding

LEVI'S STADIUM

PREMIUM SEATING

CLUB SEATS	SUITES
Total Club Seats - **9,000** Average Price per Club Seat - **$3,750** Potential Club Seat Revenue - **$33.8M**	Total Suites - **165** Average Price Per Suite - **$300,000** Potential Suite Revenue - **$49.5M**

TOTAL PREMIUM REVENUE: **$83.3M**

Levi's Stadium features 165 suites at an average annual cost of approximately $300,000, and 9,000 club seats with an average annual fee of $3,750

Suite prices range from $150,000 to $500,000

Club seat annual fees range from $3,250 to $12,500

Levi's Stadium offers Stadium Builder's License ("SBL") fees on a majority of seats in the new stadium

SBL prices ranged from $2,000 to $80,000 per seat, average SBL fees for club seats at approximately $32,500

49ers SBL revenue goal = $514 million

LEVI'S STADIUM **OTHER EVENT SUMMARY**

- Levi's Stadium has hosted 21 third-party events since opening in 2014
- Hosted 13 third-party events in first full year of stadium operations
- In 2015, average turnstile attendance per event of approximately 52,000
- Held seven large-scale concerts in 2015
- At least one international soccer event has been held annually since stadium opened
- Levi's Stadium upcoming events in 2016 include: Monster Energy Supercross, Beyonce, Copa America Centenario soccer matches, Kenny Chesney

THIRD-PARTY STADIUM EVENTS

Event Type	FY2014 [1]	FY2015
NUMBER OF EVENTS		
Concerts	0	7
Soccer	2	2
HS Sports	1	2
NCAA Football	3	0
Motorsports	0	2
NHL	1	0
WWE	1	0
Total	8	13
TOTAL ATTENDANCE	**242,348**	**678,022**

(1) Partial year of operations.

AT&T STADIUM

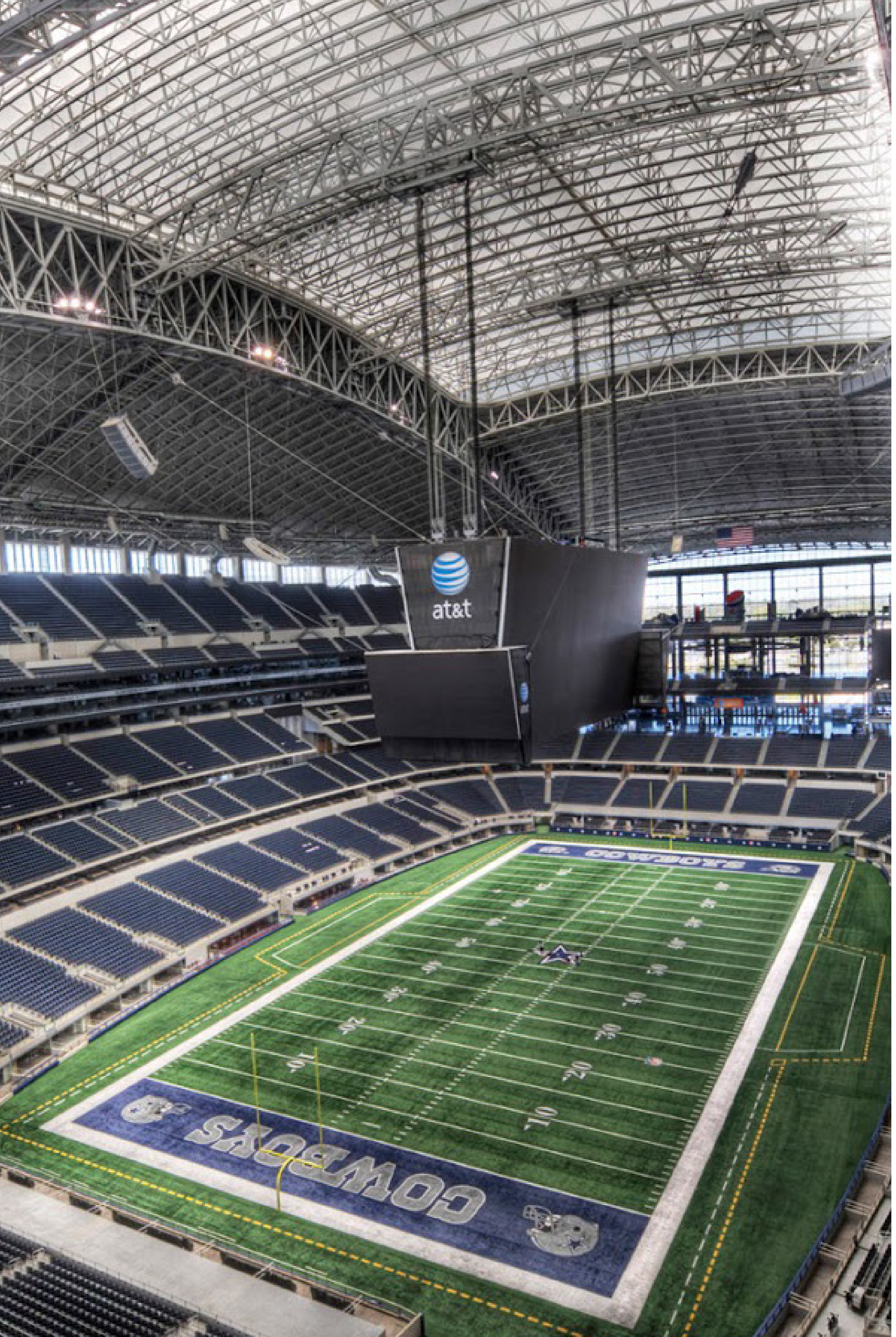
YEAR OPENED	2009
CAPACITY	80,000
SQ FOOTAGE	3.0 MILLION
PROJECT COST	$1,294 MILLION
% PRIVATE	64%
% PUBLIC	36%

Funding Sources

Sources	
Cowboys Equity & Seat Revenues (PSL, Suite Sales)	$557.5
City-Wide Sales Tax	325.0
Debt Financed by Cowboys	175.0
City Admission Tax	115.0
NFL G-3 Financing	76.5
County Cash Appropriation	25.0
Total Sources ($M)	**$1,294.0**

Funding Summary:

- The City of Arlington provided $325 million in voter-approved City bonds
  - Bonds backed by 0.5% sales tax increase, 2% hotel tax and 5% car rental tax
- The City issued $115 million in revenue bonds
  - Bonds backed by 10% admission tax, $3 parking surcharge
- County contributed $25 million in cash for roads/parking lots
- Cowboys equity and revenues from PSL & suite sales generated approximately $557.5 million in project funding
- The Cowboys funded $175.0 of their contribution via private debt financing
- NFL G-3 funding accounted for $76.5 million
- Cost overruns were the responsibility of the Cowboys



AT&T STADIUM

PREMIUM SEATING

CLUB SEATS

Total Club Seats - **14,177**
Average Price per Club Seat - **$3,370**
Potential Club Seat Revenue - **$47.8M**

SUITES

Total Suites - **380**
Average Price Per Suite - **$300,000**
Potential Suite Revenue - **$114.0M**

TOTAL PREMIUM REVENUE: **$161.7M**

AT&T Stadium features 380 suites at an average annual cost of around $300,000.

AT&T Stadium also offers over 14,000 club seats sold at an average annual fee of approximately $3,370.

The Cowboys placed PSLs on 56,314 seats in the stadium (86 percent of capacity)

Seat license prices ranged from $2,000 to $150,000 per seat

Total potential seat license revenue of $650.0 million

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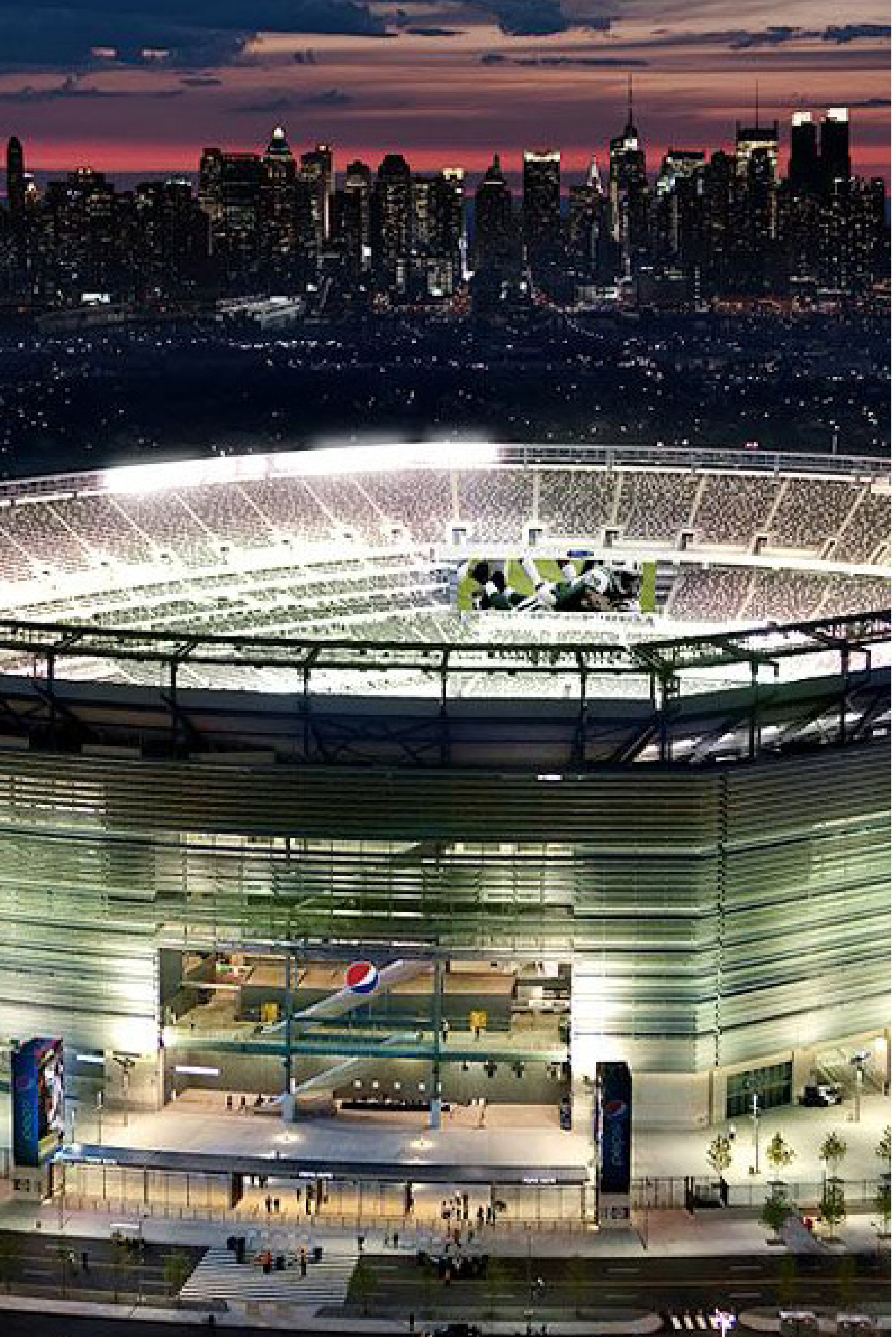
AT&T STADIUM OTHER EVENT SUMMARY

- Hosted 15 major third party events in 2015
- Held five NCAA football games including neutral site regular season games and the Cotton Bowl
- Held three large-scale concerts with average attendance of approximately 48,000 including Kenny Chesney, Rolling Stones and Taylor Swift
- Two rodeo events (one PBR and The American Rodeo) and two motorsports events
- At least one international soccer event has been held annually since stadium opened
- Total attendance of approximately 695,000

THIRD-PARTY STADIUM EVENTS

Event Type	FY2015
NUMBER OF EVENTS	
NCAA Football	4
NCAA Basketball	0
Cotton Bowl	1
Concerts	3
Soccer	1
Boxing	0
Rodeo Events	2
Motorsports	2
High School Sports	0
Other	2
Total	15
TOTAL ATTENDANCE	**695,000**



METLIFE STADIUM

YEAR OPENED	2010
CAPACITY	82,566
SQ FOOTAGE	2.1 MILLION
PROJECT COST	$1,600 MILLION
% PRIVATE	100%
% PUBLIC	0%*

**excluding public land donation*

Funding Sources	
Sources	
Giants Portion of Bonds	$650.0
Jets Portion of Bonds	650.0
NFL G-3 Financing	300.0
Total Sources ($M)	**$1,600.0**

Funding Summary:

- The New Meadowlands Stadium Corporation issued $1.3 billion in taxable bonds
- Bonds backed by stadium revenues including seat licenses, premium seating, advertising/sponsorships, naming rights, etc.
- $300 million grant from the NFL's G-3 stadium funds program
- The State of New Jersey donated land for the project
- Pubic infrastructure costs of $250 million were considered outside of stadium costs

METLIFE STADIUM

PREMIUM SEATING

GIANTS CLUB SEATS

Total Club Seats - **8,608**
Average Price per Club Seat - **$4,500**
Potential Club Seat Revenue - **$38.7M**

TOTAL PREMIUM REVENUE: **$91.3M**

JETS CLUB SEATS

Total Club Seats - **10,211**
Average Price per Club Seat - **$3,560**
Potential Club Seat Revenue - **$36.4M**

TOTAL PREMIUM REVENUE: **$89.0M**

SUITES

Total Suites - **213**
Average Price Per Suite - **$494,000**
Potential Suite Revenue - **$105.2M**

MetLife Stadium features 213 suites at an average annual cost of around $494,000.

Suites prices are based on a 20 game schedule, includes all home Giants and Jets home games

The Giants and the Jets sell club seats individually

Giants offering 8,608 at an average annual fee of $4,500

The Jets sell 10,211 club seats at an average annual fee of $3,560

Personal seat licenses ("PSLs") were sold by both the Jets and the Giants

Jets placed PSLs on 47,804 seats (58 percent of the stadium capacity)

Priced from $4,000 to $30,000 per

Jets PSL revenue goal = $325 million

Giants placed PSLs on 72,261 seats (91 percent of the stadium capacity)

Priced from $1,000 to $20,000 per seat

Giants PSL revenue goal = $400 million

METLIFE STADIUM **OTHER EVENT SUMMARY**

METLIFE STADIUM HAS HOSTED APPROXIMATELY 50 MAJOR 3RD PARTY TICKETED-EVENTS SINCE 2010

Average 9 events per year

Average paid attendance for per event 51,000

MetLife Upcoming events in 2016 include: Monster Jam, Monster Energy Supercross, Copa America soccer match semi-finals and finals, Coldplay, Kenny Chesney, "College Classic" Notre Dame vs. Syracuse

THIRD-PARTY STADIUM EVENTS

Event Type	FY2013	FY2014	FY2015	AVERAGE
NUMBER OF EVENTS				
Concert	5	9	7	7
Motorsports	1	2	2	2
Soccer	3	2	2	2
NCAA Football	2	2	0	1
Total	11	15	11	12
TOTAL ATTENDANCE	**464,872**	**679,988**	**587,297**	**577,386**

MAJOR PAST EVENTS HELD AT THE STADIUM INCLUDE:

2015
State Fair Meadowlands
Taylor Swift
One Direction
Kenny Chesney
AC/DC
Electric Daisy Carnival NYC
Monster Jam
Supercross
Argentina vs Ecuador

2014
Super Bowl
Electric Daisy Carnival NYC
Beyonce/Jay Z
One Direction
Eminem/Rihanna
Notre Dame vs Syracuse
Monster Jam
Supercross

2013
Kenny Chesney
Bon Jovi
Taylor Swift
Penn State vs Syracuse
Monster Jam
Hot 97 Hip Hop
Valencia vs Inter Milan
AC Milan vs Chelsea

2012
Bruce Springsteen & The E Street Band
Electric Daisy Carnival NYC
Columbia vs Brazil

2011
U2
Kenny Chesney
US vs Argentina

2010
Eagles
Bon Jovi
Mexico vs Ecuado
US vs Brazil

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UNIVERSITY OF PHOENIX STADIUM

YEAR OPENED	2006
CAPACITY	62,400
SQUARE FOOTAGE	1.7 MILLION
PROJECT COST	$439.7 MILLION
% PRIVATE	68%
% PUBLIC	32%

Funding Summary:

Public funding included the Arizona Tourism and Sports Authority contributing:

- $265.9 million for stadium costs
- $10.3 million for site improvement

The City of Glendale/ADOT provided $23.8 million for site improvements

Cardinals contribution consisted of:

- $113.6 million for stadium construction costs
- $26.3 million for site improvement

Funding Sources & Uses	
Sources	
Stadium Sources	
Senior Bonds, Series 2003A	$220.7
AZ Cardinals Contribution	103.0
Senior Bonds, Series 2005A	12.8
Prior Funding Sources	12.5
Sales Tax Recapture	12.4
Investment Earning	5.1
AZ Cardinals -- additional scope	3.8
AZ Cardinals -- increased Owner direct costs	2.9
AX Cardinals Contribution (to cover AZSTA shortfall)	2.8
AZSTA -- additional scope	2.1
Contingency Funding	1.2
Site Improvement Sources	
Series 2005A Bonds	32.3
City of Glendale/ADOT	23.8
AZ Cardinals	4.2
Total Sources ($M)	$439.7
Uses	
Stadium Uses	
Stadium GMP	$367
Other Fees	12.6
Stadium Improvement	
Site Improvements	41.0
Glendale Roadway Improvements	19.3
Total Uses ($M)	$439.7

UNIVERSITY OF PHOENIX STADIUM

PREMIUM SEATING

CLUB SEATS

Total Club Seats - **7,357**
Average Price per Club Seat - **$2,180**
Potential Club Seat Revenue - **$16.7M**

TOTAL PREMIUM REVENUE: **$26.8M**

SUITES

Total Suites - **108**
Average Price Per Suite - **$99,000**
Potential Suite Revenue - **$10.7M**

UNIVERSITY OF PHOENIX STADIUM OTHER EVENT SUMMARY

Average 110 annual events since 2011

Average 3 other sporting events annually
- Include soccer, gymnastics, NCAA basketball

Approximately 1 large-scale entertainment event annually
- Include concerts, motorsports

Average 21 consumer shows annually
- Include RV shows, home shows, sports expos, job fairs, etc.

Other special events include Cardinals' events, commercial shoots, Ride & Drives, walks and other miscellaneous events

THIRD-PARTY STADIUM EVENTS

Event Type	FY2011	FY2012	FY2013	FY2014	FY2015	AVERAGE
NUMBER OF EVENTS						
Football	12	11	11	11	13	12
Other Sporting Events	4	4	3	3	1	3
Entertainment	3	1	2	0	1	1
Consumer Show	20	18	22	23	21	21
Trade	3	0	2	0	0	1
Banquets & Meetings	22	13	12	38	30	23
Graduations & Proms	21	29	24	7	7	18
Other Special Events	25	56	50	14	12	31
Total	**110**	**132**	**126**	**96**	**85**	**110**

NRG STADIUM

YEAR OPENED	2002
CAPACITY	71,054
SQUARE FOOTAGE	1.9 MILLION
PROJECT COST	$449 MILLION
% PRIVATE	57%
% PUBLIC	43%

Funding Sources	
Sources	
Harris County Sports Authority	$194.0
User Taxes	140.0
Texans PSL Revenue	50.0
Texans Rent	40.0
Houston Livestock Show & Rodeo Rent	25.0
Total Sources ($M)	**$449.0**

Funding Summary:

Harris County Sports Authority contributed $194 million secured by:

- County hotel/motel tax revenue
- Short-term car rental taxes.

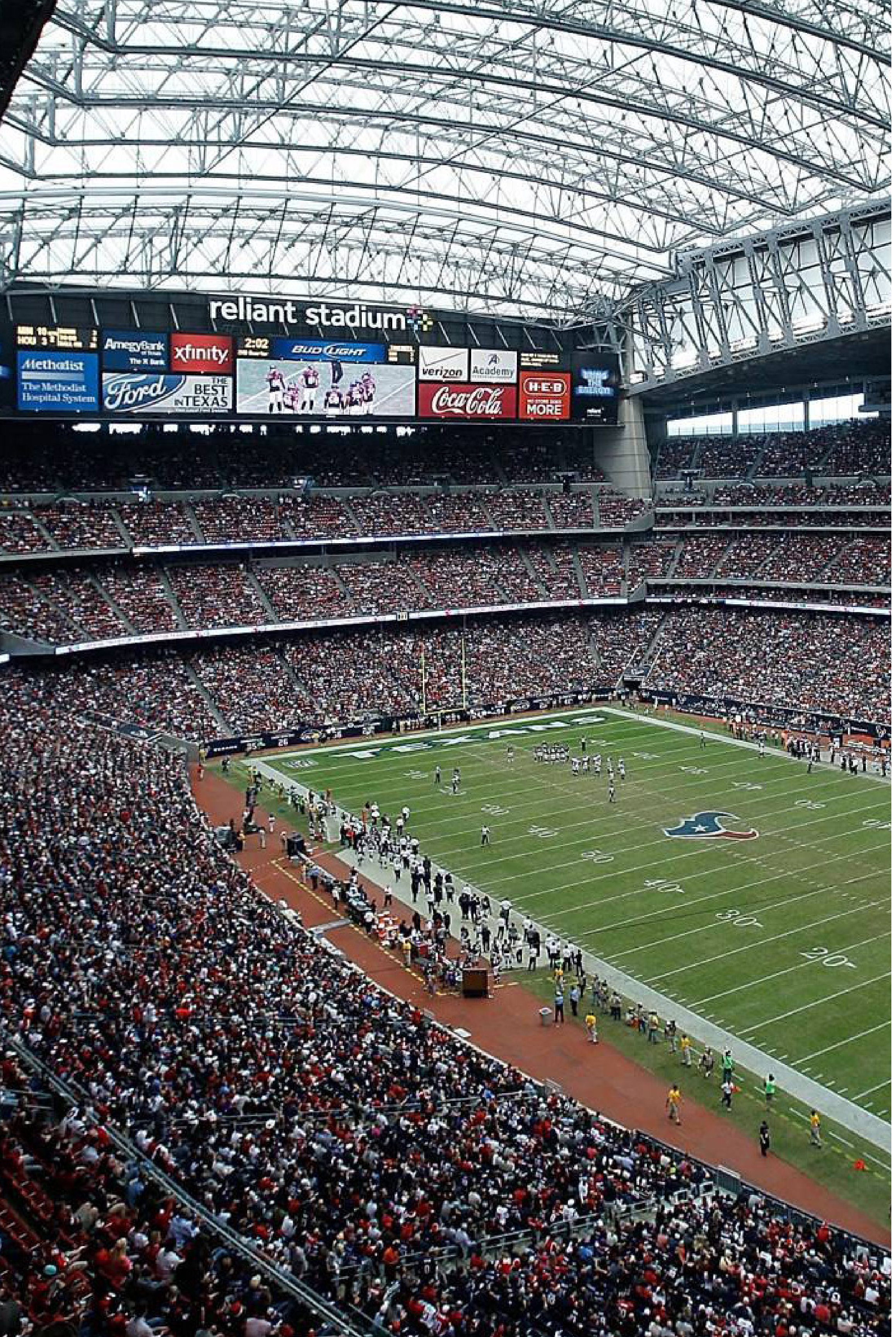
User fees accounted for $140 million in project funding including:

- 10% ticket tax
- $1.00 parking surcharge
- Sales tax rebates on in-stadium spending

Texans contributed $50 million from the sale of personal seat licenses (PSLs)

Texans provided an additional $40 million that is secured from an annual rent payment of $3.0 million to the Sports Authority

The Houston Livestock Show and Rodeo provided $25 million secured by annual rent payments of $1.5 million to the Sports Authority.



NRG STADIUM

PREMIUM SEATING

CLUB SEATS

Total Club Seats - **9,436**
Average Price per Club Seat - **$2,000**
Potential Club Seat Revenue - **$18.9M**

TOTAL PREMIUM REVENUE: $47.7M

SUITES

Total Suites - **185**
Average Price Per Suite - **$156,000**
Potential Suite Revenue - **$28.8M**

The Texans placed PSLs on 45,420 seats (67 percent of stadium capacity

Seat license prices ranged from $600 to $4,200 per seat

- Texans PSL revenue = $77.0 million

NRG STADIUM **OTHER EVENT SUMMARY**

- NRG Stadium hosts an average of 123 non-NFL events per year
- Hosts an average of 44 family shows each year
- Home to the Houston Livestock Show and Rodeo
- In 2015, total annual attendance at non-NFL events of approximately 2.4 million
- NRG Stadium upcoming events in 2016 include: Houston Livestock and Rodeo Show, NCAA Final Four, Disney on Ice, Beyonce, Copa America match, Ringling Brothers Circus, NCAA Advocare Texas Kickoff Oklahoma vs. Houston

THIRD-PARTY STADIUM EVENTS

Event Type	FY2011	FY2012	FY2013	FY2014	FY2015	AVERAGE
NUMBER OF EVENTS						
Family Show	37	45	45	45	47	44
Rodeo	40	23	23	18	21	25
Community And Religious	17	16	14	16	25	18
Food & Beverage	4	5	11	16	7	9
Other	36	2	1	1	3	9
Motor Sports	5	3	5	6	19	8
Amateur & Pro	6	3	11	13	4	7
Meeting and Seminar	3	2	1	6	4	3
Consumer Show	1	1	2	0	0	1
Entertainment	0	0	1	0	1	0
Total	**149**	**100**	**114**	**121**	**131**	**123**
TOTAL ATTENDANCE	**2,073,771**	**1,945,304**	**1,975,005**	**1,774,298**	**2,366,096**	**2,026,895**

MAJOR PAST EVENTS HELD AT THE STADIUM INCLUDE:

2015
Disney on Ice

Marvel Universe Live

Houston Livestock Show and Rodeo

2014
Disney on Ice

Houston Livestock Show and Rodeo

2013
Houston Livestock Show and Rodeo – George Strait

2012
Kenny Chesney / Tim McGraw

2011
Kenny Chesney

Jay Z / Justin Timberlake

Taylor Swift

2009
U2

George Strait

WWE

MERCEDES-BENZ SUPERDOME

YEAR OPENED	1975
CAPACITY	73,208
SQUARE FOOTAGE	1.9 MILLION
PROJECT COST	$336 MILLION
% PRIVATE	4%
% PUBLIC	96%

Funding Sources	
Sources	
FEMA	$156.0
State of Louisiana	121.0
Louisiana Stadium & Exposition District	44.0
NFL Non-Reimbursable Funding Grant	15.0
Total Sources ($M)	**$336.0**

Funding Summary:

FEMA provided $156.0 million for eligible repairs including roof and aluminum siding

State of Louisiana provided $121.0 million

Louisiana Stadium and Exposition District ("LSED") provided $44.0 million

- From refinanced LSED bonds post Katrina

NFL provided $15.0 million from a non-reimbursable funding grant

MERCEDES-BENZ SUPERDOME

PREMIUM SEATING

CLUB SEATS

Total Club Seats - **16,140**
Average Price per Club Seat - **$2,270**
Potential Club Seat Revenue - **$36.6M**

TOTAL PREMIUM REVENUE: **$47.6M**

SUITES

Total Suites - **137**
Average Price Per Suite - **$80,000**
Potential Suite Revenue - **$11.0M**

MERCEDES-BENZ SUPERDOME **OTHER EVENT SUMMARY**

The Superdome has hosted 12 major concerts since 2000

- Average less than 1 major concert per year
- Average paid attendance per event of approximately 35,000
- Average gross revenue per concert: $3.2 million

Major past concerts held at the stadium include:

Past notable events include the Sugar Bowl (since 1975), New Orleans Bowl (since 2001), multiple Super Bowls, NCAA Men's Final Four, The Rolling Stones, Monster Jam, Supercross, among several other sports and entertainment events.

Other events held the Superdome include religious events, trade and consumer shows, conventions, meetings and banquets.

MAJOR PAST EVENTS HELD AT THE STADIUM INCLUDE:

2015
Essence Music Festival
Flow Tribe

2014
Essence Music Festival
Beyonce /Jay Z
One Direction

2013
Essence Music Festival (Beyonce)

2012
Kenny Chesney / Tim McGraw

2005
Destiny's Child

2001
Nsync
Jay Z

7 PROFESSIONAL RELOCATION ANALYSIS

CONVENTIONS SPORTS & LEISURE

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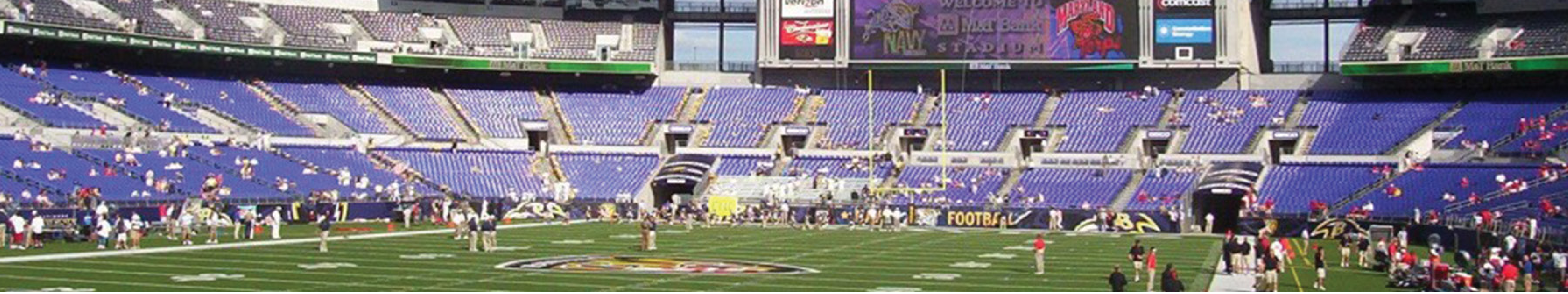
PROFESSIONAL RELOCATION **OVERVIEW**

RELOCATION MARKETS OVERVIEW				
New Location	Old Location	Facility Cost	% Public	%Private
Baltimore	Cleveland	$226.0	90%	10%
Nashville	Houston	$291.7	71%	29%
Oklahoma City	Seattle	$103.5 [1]	100%	0%
New Orleans	Charlotte	$112.0	91%	9%
Memphis	Vancouver	$250.0	87%	13%
Washington D.C.	Montreal	$692.8	82%	18%

1 Chesapeake Energy Arena was constructed for an original cost of $89.2 million and began a $103.5 million renovation in 2009 to bring the facility up to NBA standards for the Thunder.



BALTIMORE RAVENS

RELOCATION YEAR: 1996

RELOCATION FEE: $29M

ORIGINAL CITY: CLEVELAND

NEW STADIUM PROJECT COST: $226M

Public sector contributed 90% toward funding for a new stadium for the Ravens

PUBLIC SOURCES:

- $91 million in lease revenue bonds paid back through State appropriations
- $64 million from future lottery funds
- $24 million from existing lottery funds
- $16 million from savings related to the refinancing of Authority Baseball Stadium bonds
- $9 million in other Authority revenues

PRIVATE FUNDING SOURCES:

- $12 million from the Ravens
- $10 million from the sale of naming rights

TEAM REVENUES:

- Under deal team receives all revenue from ticket sales, luxury suites, club seats, parking, advertising and concessions
- 50% of revenue generated during non-football events

TENNESSEE TITANS

RELOCATION YEAR: 1997

ORIGINAL CITY: HOUSTON

RELOCATION FEE: $25 M

NEW STADIUM PROJECT COST: $291.7 M

Public sector contributed 71% toward funding for a new stadium for the Titans

FUNDING SOURCES:

- $133 million from City sales, bed and other tax revenues
- $75 million in State general obligation and revenue bonds
- $71 million from PSL revenues
- $14 million in Titans lease payments

OKLAHOMA CITY THUNDER

RELOCATION YEAR: 2008

ORIGINAL CITY: SEATTLE

RELOCATION FEE: $30M

FACILITY PROJECT COST: $103.5M (2009 renovation)

- Chesapeake Energy Arena was constructed for an original cost of $89.2 million and began a $103.5 million renovation in 2009 to bring the facility up to NBA standards for the Thunder
- The improvement project was publicly funded with City Sales Tax revenues

TEAM REVENUES:

- Under 15-year lease agreement team retain a majority of revenues except for parking, a concession split and revenues from other arena events

TEAM RENT:

- Thunder pays rent of $1.6 million plus an annual naming rights fee, office expenses, facility fees and arena conversion fees

NEW ORLEANS PELICANS

RELOCATION YEAR: 2002

ORIGINAL CITY: CHARLOTTE

RELOCATION FEE: $30M

FACILITY PROJECT COST: $112M

Public sector contributed 91% toward funding for the arena

PUBLIC SOURCES:

- $85M in hotel / motel tax revenue
- $16.5M from other public funds.

PRIVATE SOURCES:

- $9M from the arena concessionaire
- $1M from the former ECHL tenant.

MEMPHIS GRIZZLIES

RELOCATION YEAR: 2001

RELOCATION FEE: $16M

ORIGINAL CITY: VANCOUVER

ARENA PROJECT COST: $250M

Public sector funded approximately 87 percent of total project costs for the FedEx Forum

PUBLIC SOURCES:

- $73 million from City and County hotel/motel and car rental tax revenues
- $65 million State sales tax rebates
- $44 million in City, County and State appropriations
- $35 million from payments-in-lieu-of-taxes from the Memphis Light, Gas and Water Water Division

PRIVATE FUNDING:

- $20 million through private support bonds from the Grizzlies
- $13 million to be supported through a $1.15 per seat rental fee paid by the Grizzlies on all public tickets sold for events at the arena

TEAM REVENUES:

- Under lease, team retains all revenues and covers all operating expenses in exchange for a rental payment to the City of $1.15 per ticket sold to public events at the Forum

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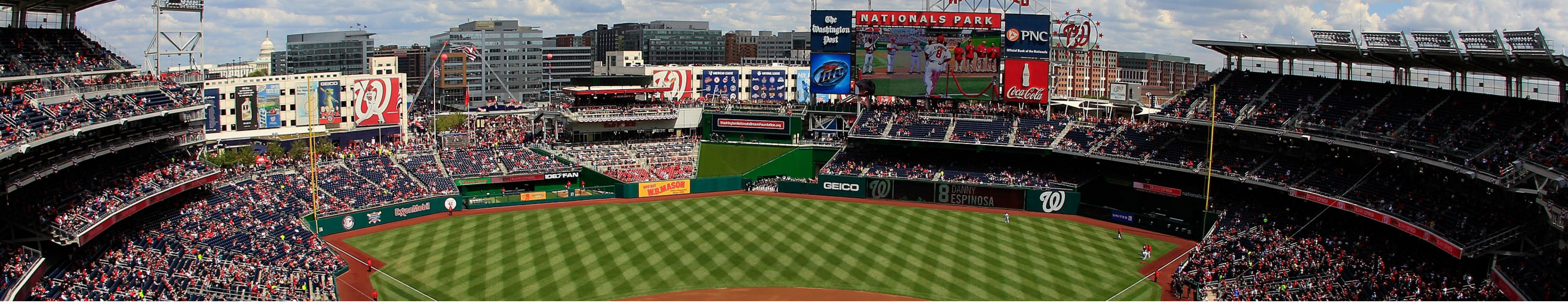

WASHINGTON NATIONALS

RELOCATION YEAR: 2005

ORIGINAL CITY: MONTREAL

NEW STADIUM PROJECT COST: $692.8M

Public sector funded approximately 82 percent of total project costs for Nationals Park

PUBLIC SOURCES:

- $452.1 million in revenue bonds backed by sales taxes on tickets, concessions, merchandise, and parking revenues at the ballpark, a new tax on businesses with gross receipts over $5 million and utilities tax revenues
- $39 million in 2005 tax revenues
- $28.7 million in interest earnings
- $51 million in additional City funds

PRIVATE SOURCES:

- $91 million in revenue bonds backed by team rental payments ($3.5 million annually) and premium seating sales
- $31 million in team cash contributions.

8 MARKET SURVEYS

CONVENTIONS SPORTS & LEISURE

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SURVEY OVERVIEW

SURVEY GROUP	Surveys Completed
LOCAL & REGIONAL RESIDENTS - Season Ticket Survey	1,009
NON-LOCAL RESIDENTS - Single-Game Buyer Survey	412
TOTAL SURVEY RESPONDENTS	**1,421**

SURVEY OBJECTIVE:

Interest in attending NFL games in Las Vegas and the demand for various seating options.

SURVEY TOPICS:

Interest in Sports & the NFL

Past Las Vegas Event Attendance

Past Las Vegas Travel

Existing NFL Game Attendance

Attitude Towards the NFL in Las Vegas

Importance of Stadium Amenities

Interest in Attending NFL Games

Interest in Purchasing Tickets & Suites

Preferred Seat Locations

Sensitivity to Various Price Points

Preferred Amenities

Interest in Attending Other Stadium Events

Demographic Data

NON-LOCAL RESPONDENT KEY MARKETS

Albuquerque
Atlanta
Baltimore
Boston
Chicago
Dallas/Fort Worth
Denver
Detroit
Las Vegas
Los Angeles
Milwaukee
Minneapolis
New York City
Oakland
Phoenix
Portland
Salt Lake City
San Antonio
Seattle
Tampa
Tucson
Washington D.C.

NFL IN LAS VEGAS

ATTITUDE TOWARDS NFL

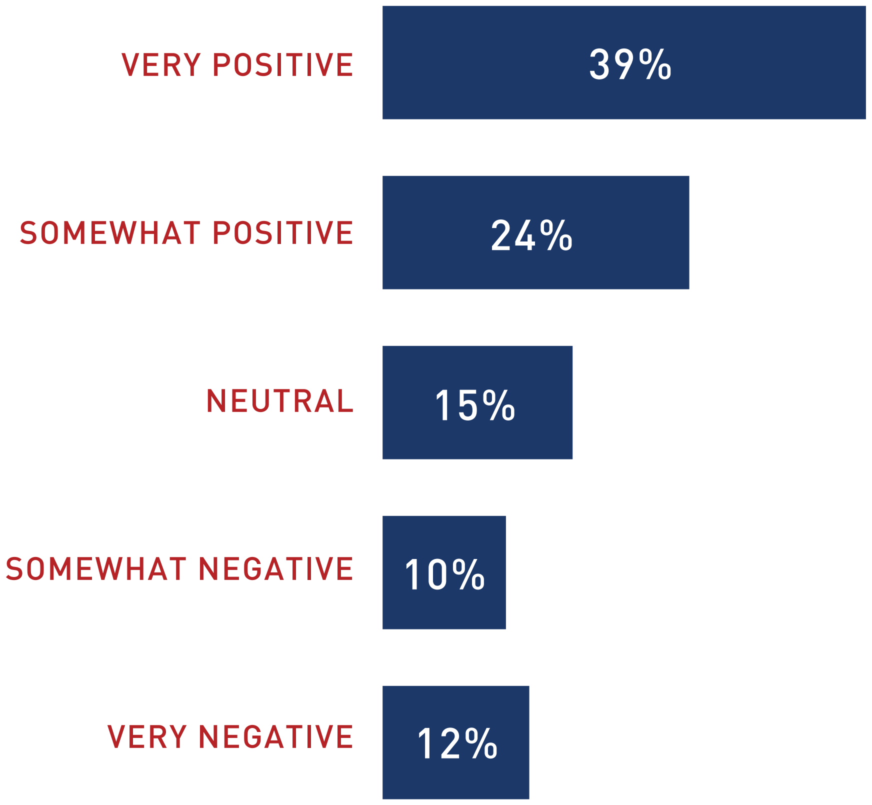
Attitude Towards NFL in Las Vegas	Local Respondents	Non-Local Respondents
Very Positive	51%	55%
Somewhat Positive	17%	22%
Neutral	23%	13%
Somewhat Negative	4%	6%
Very Negative	5%	4%
Total Positive Attitude	**67%**	**77%**

INTEREST IN ATTENDING

Interest in Attending NFL Games in Las Vegas	Local Respondents	Non-Local Respondents
Definitely Attend	38%	29%
Likely Attend	26%	26%
Maybe Attend	16%	25%
Not Likely Attend	11%	13%
Definitely Not Attend	10%	6%
Total Interest in Attending	**79%**	**80%**

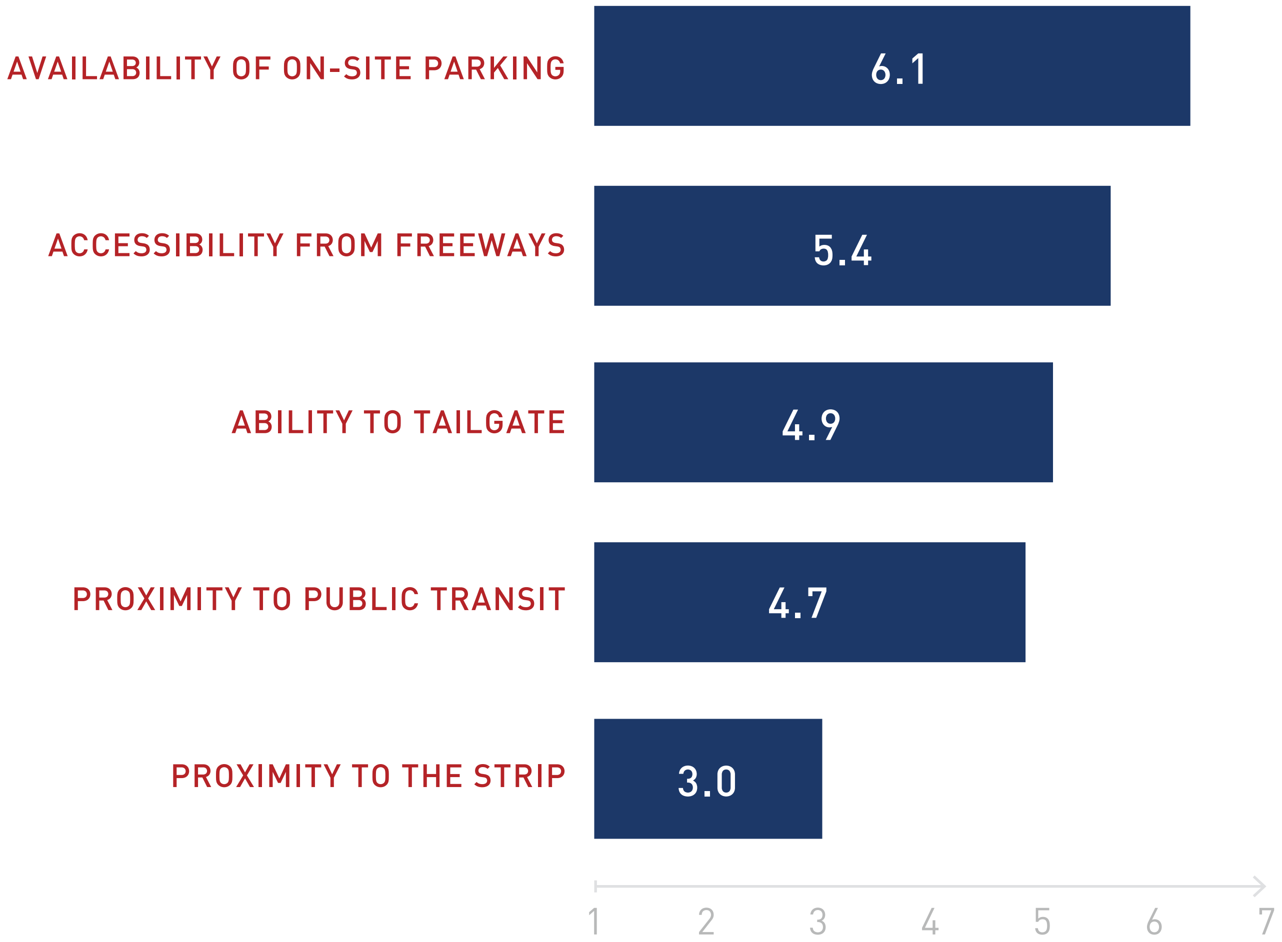
LOCALS-STADIUM IMPORTANCE

ATTITUDE TOWARDS LOCATION

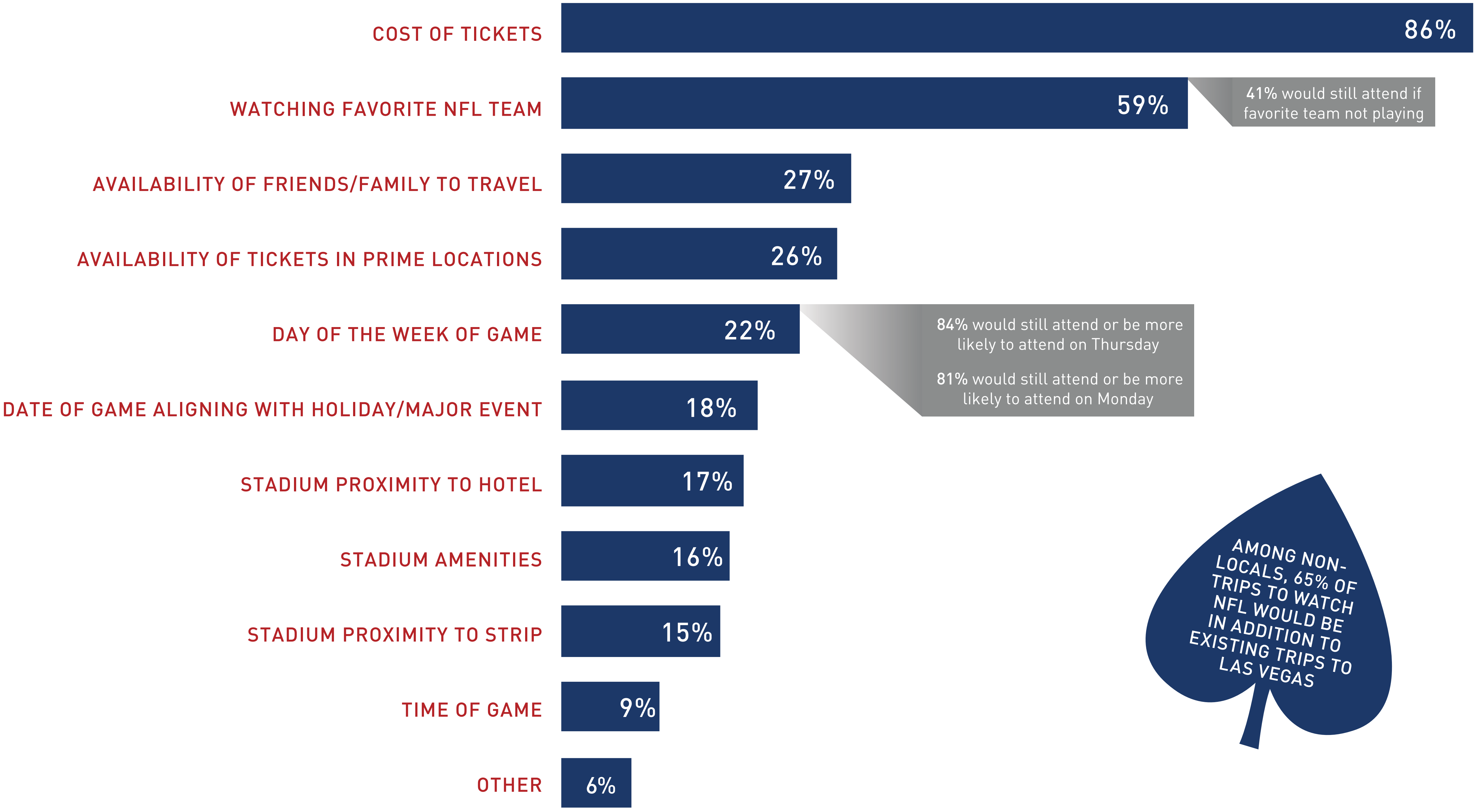


Note: The proposed site of a new stadium in Las Vegas is located near the corner of Tropicana Avenue and Koval Lane, across from McCarron International Airport and approximately one block off the Strip.

IMPORTANCE OF ELEMENTS

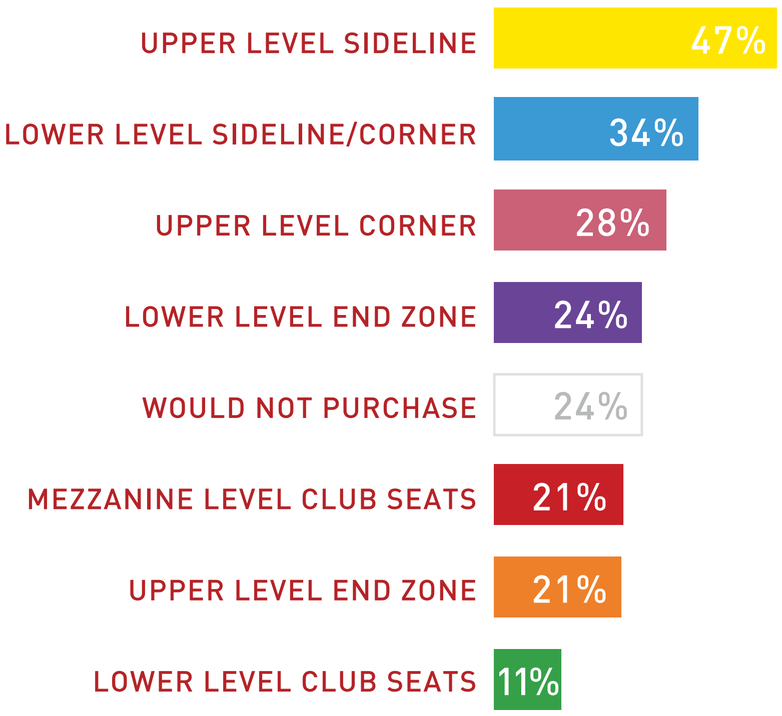


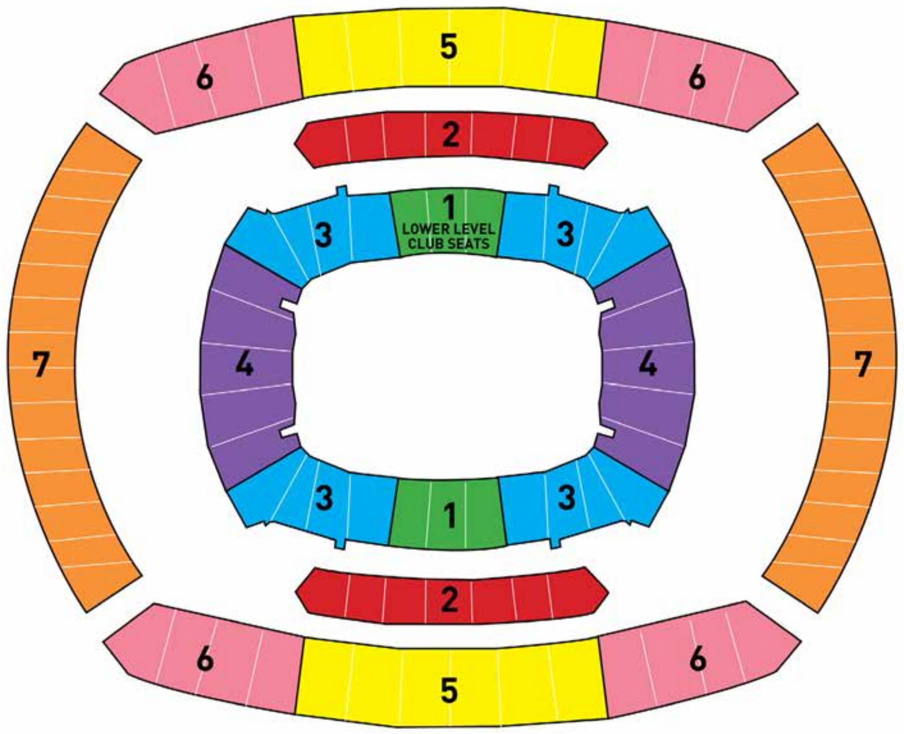
NON-LOCALS TRAVEL TO LAS VEGAS & ATTEND NFL GAME



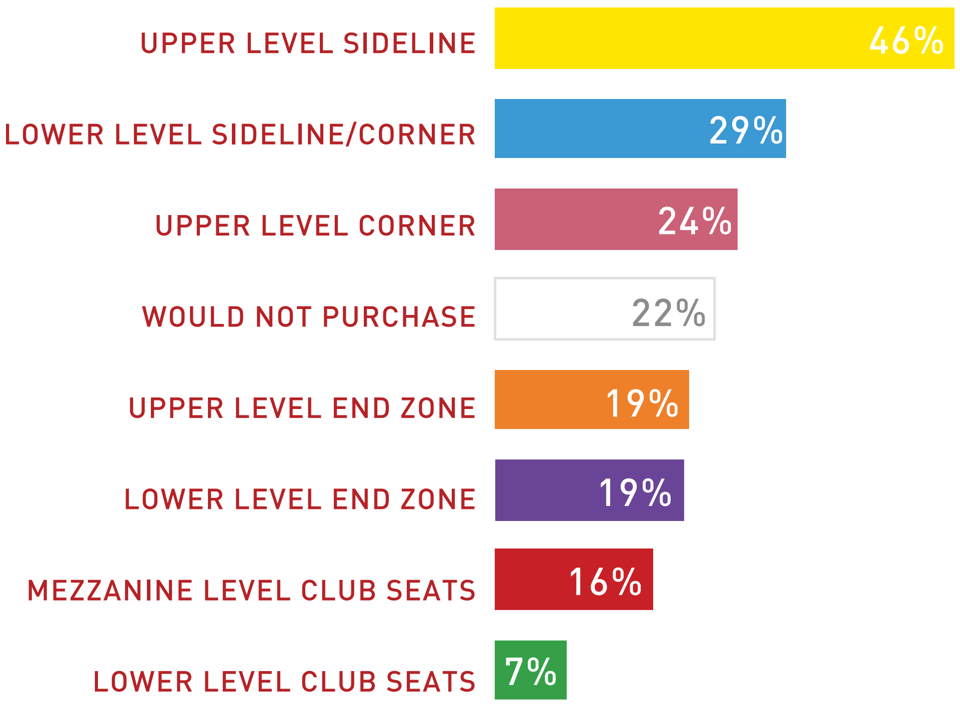
INITIAL SEAT INTEREST

LOCALS



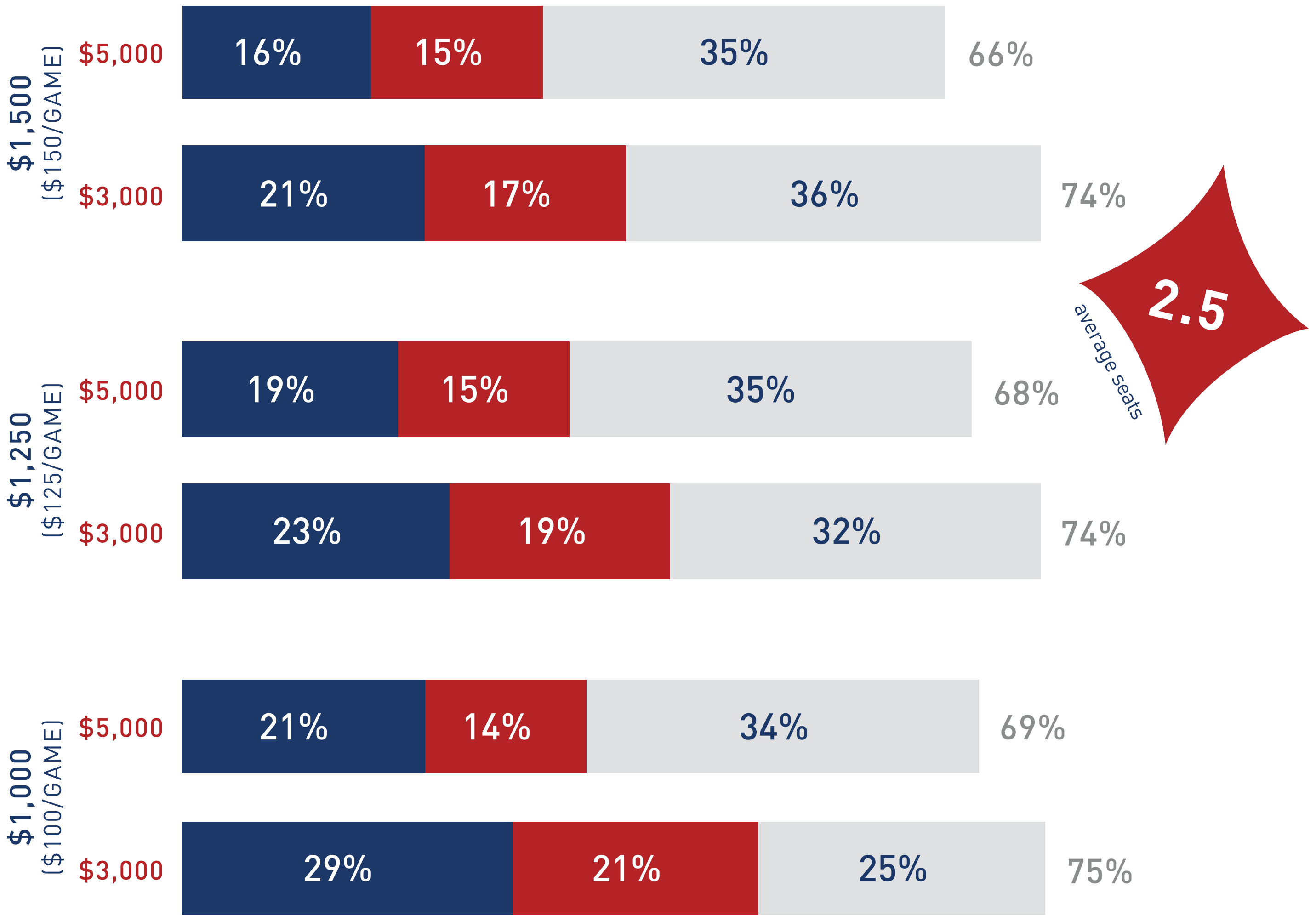


NON-LOCALS

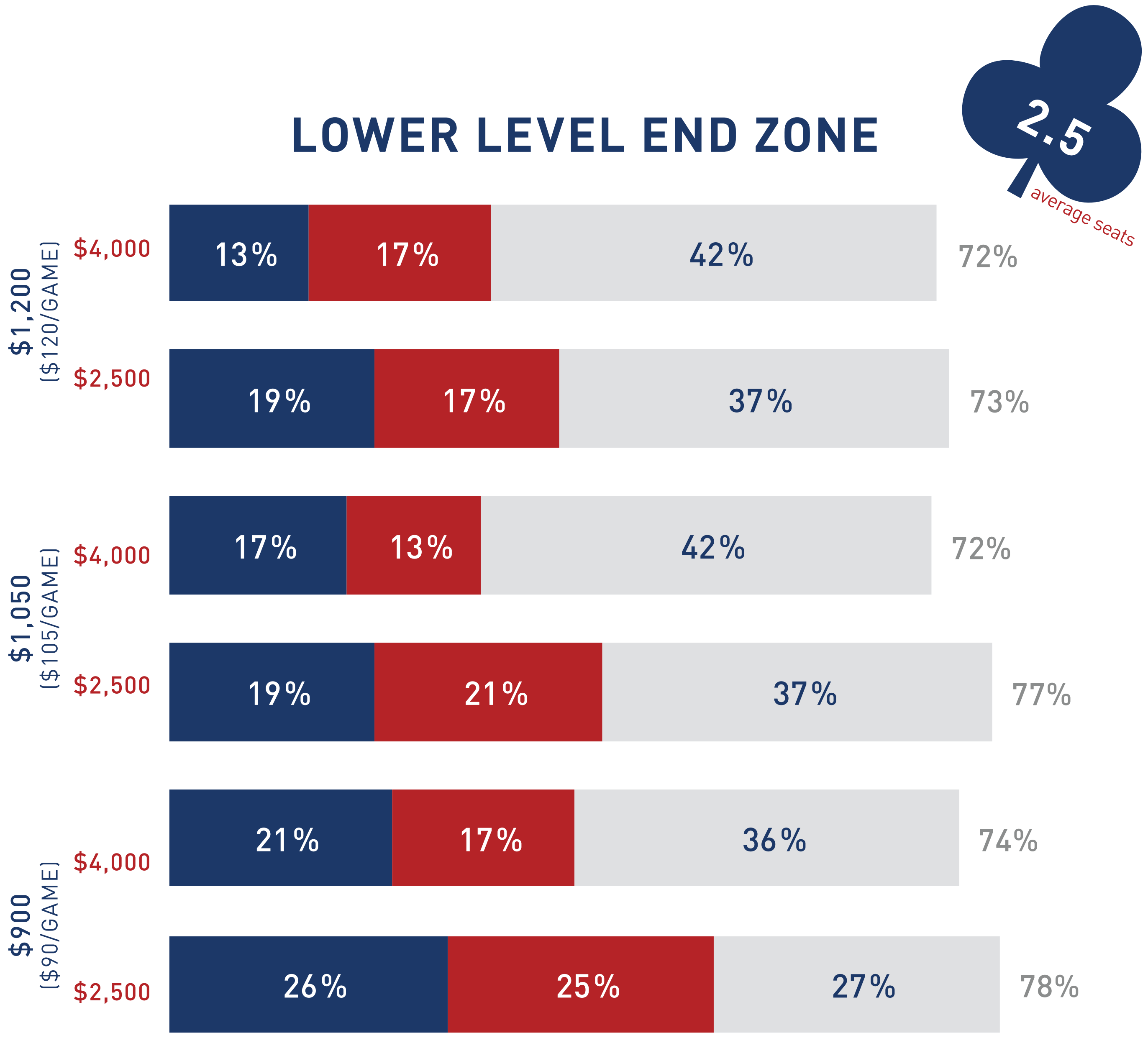


SEASON TICKET PRICE SENSITIVITY

LOWER LEVEL SIDELINE / CORNER



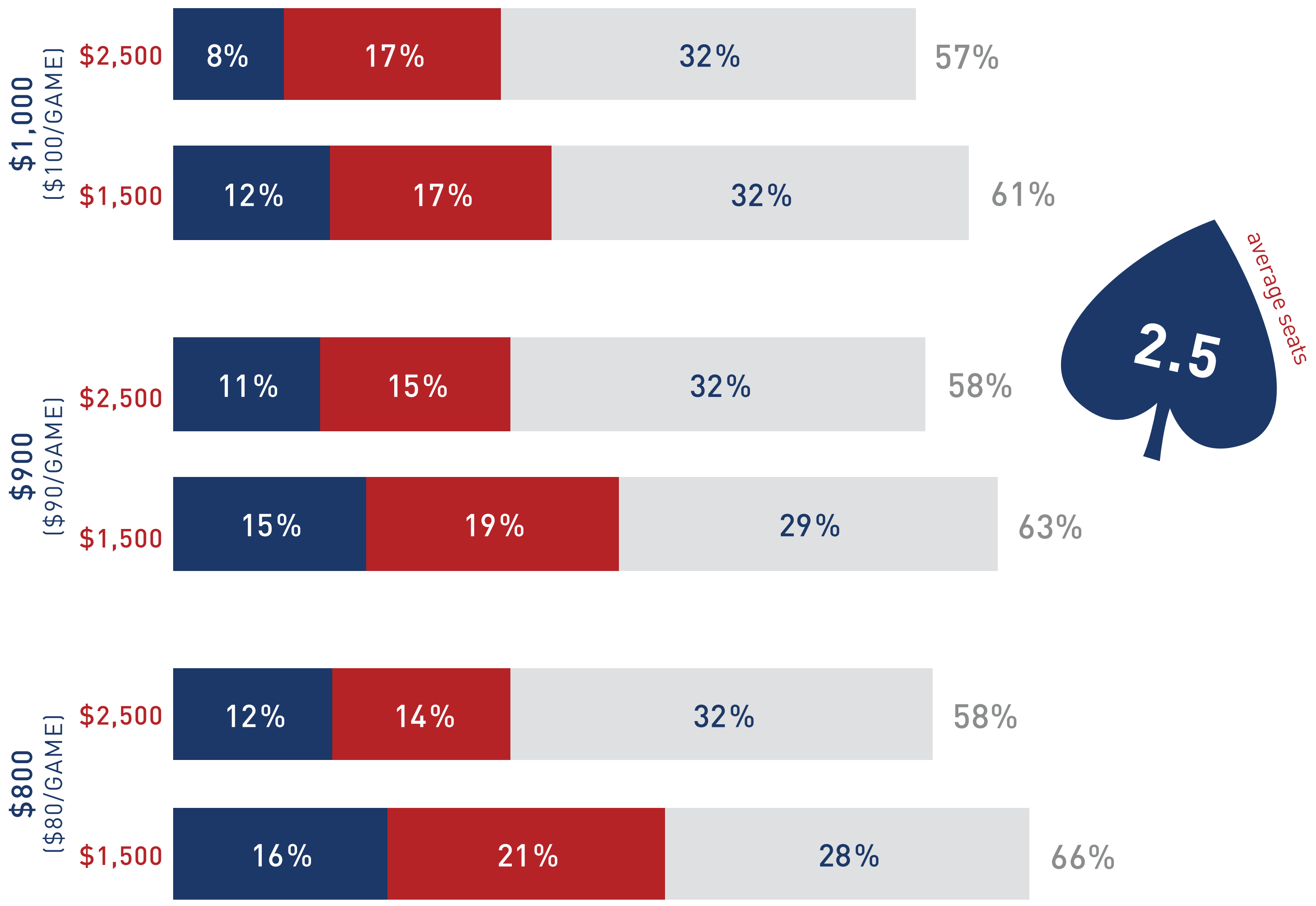
LOWER LEVEL END ZONE



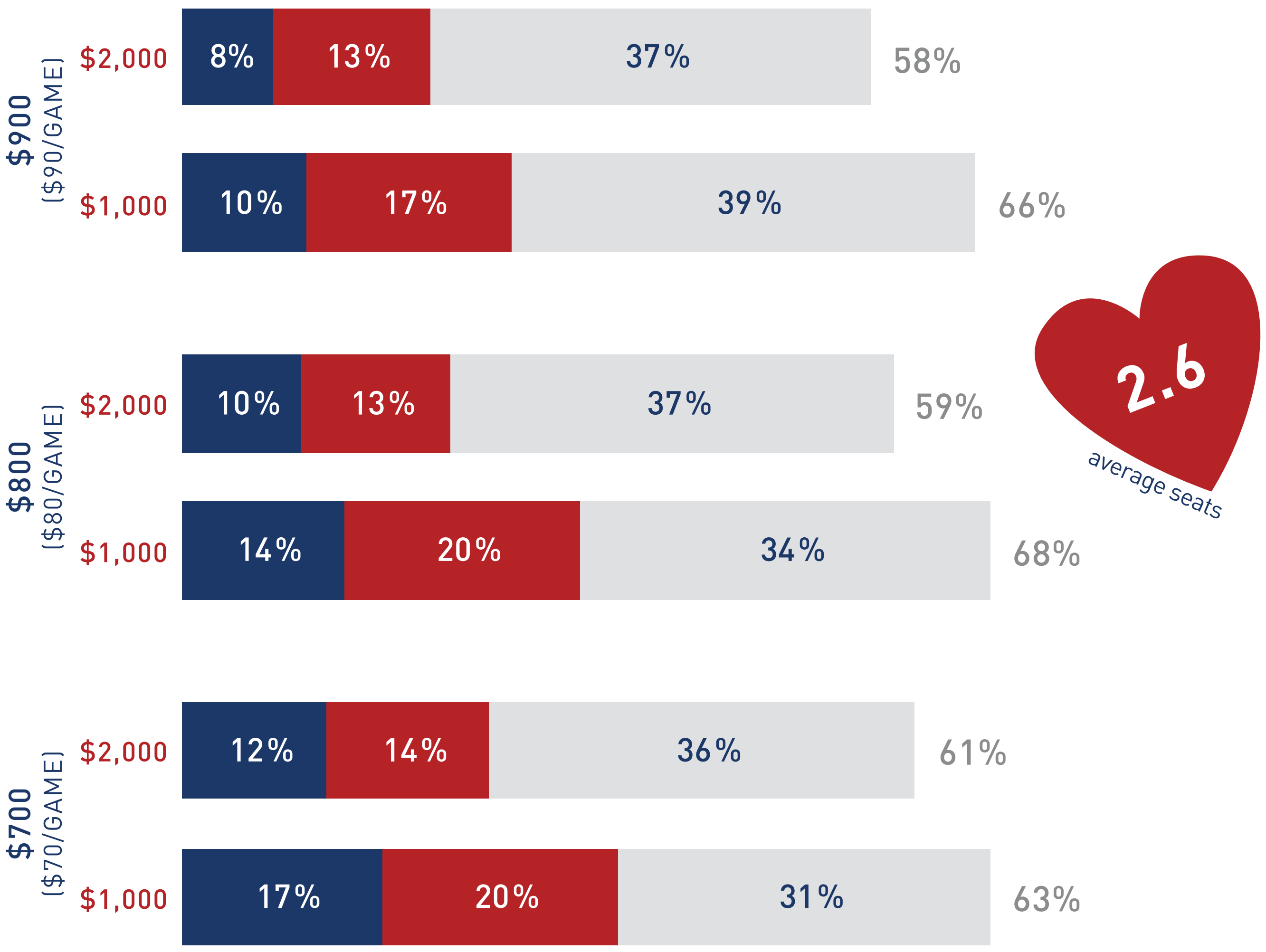
DEFINITELY PURCHASE | LIKELY PURCHASE | POSSIBLY PURCHASE

SEASON TICKET PRICE SENSITIVITY

UPPER LEVEL SIDELINE



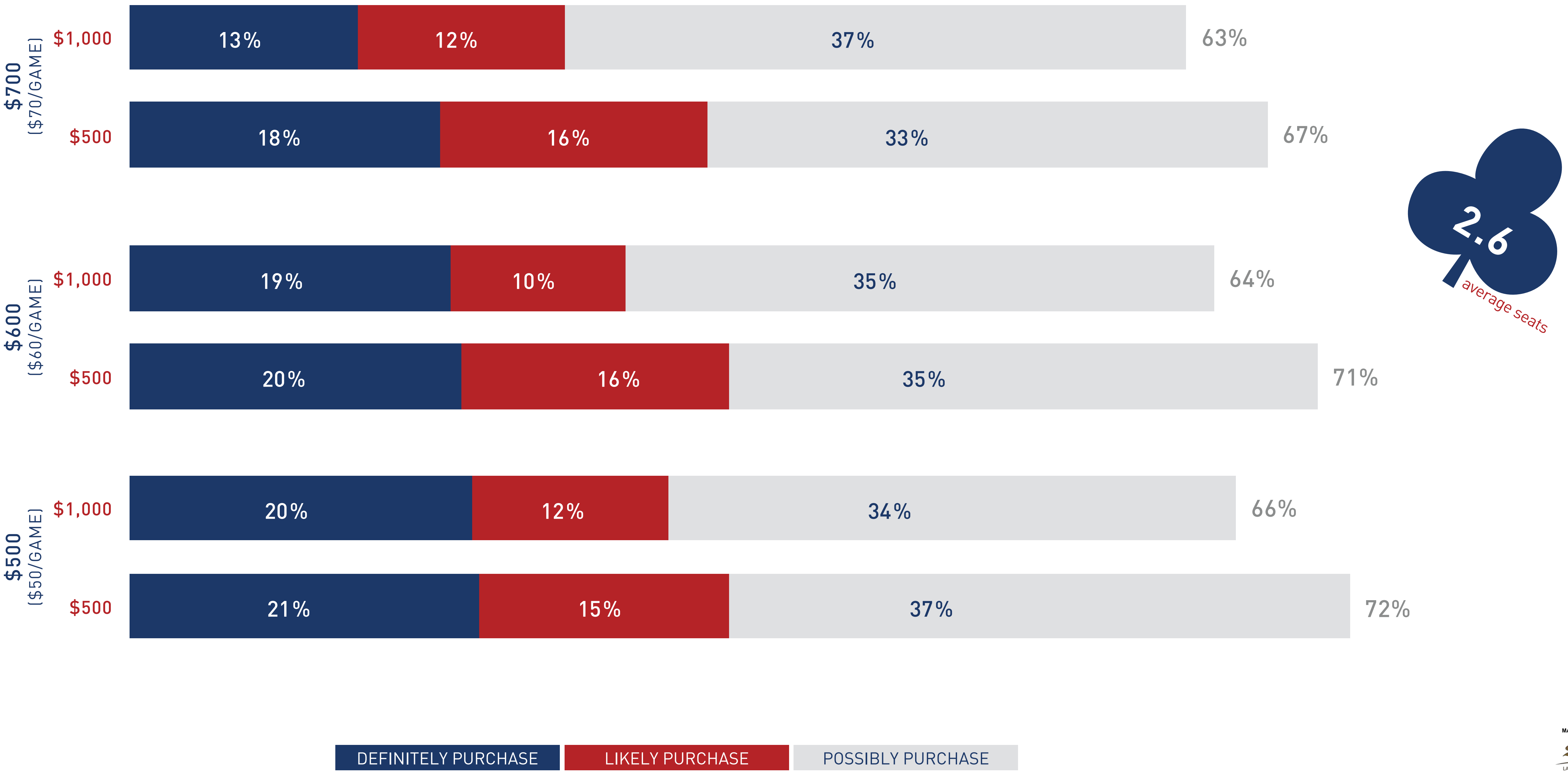
UPPER LEVEL CORNER



DEFINITELY PURCHASE | LIKELY PURCHASE | POSSIBLY PURCHASE

SEASON TICKET PRICE SENSITIVITY

UPPER LEVEL END ZONE



CLUB SEAT **PRICE SENSITIVITY**

LOWER LEVEL CLUB SEATS

$3,250 ($325/GAME)	$15,000	13%	14%	26%	48%
	$10,00	14%	14%	31%	57%
$32,750 ($275/GAME)	$15,000	13%	14%	26%	51%
	$10,00	20%	11%	31%	62%
$2,250 ($225/GAME)	$15,000	15%	14%	29%	51%
	$10,00	20%	13%	33%	63%

average seats 3.5

MEZZANINE CLUB SEATS

$3,250 ($325/GAME)	$10,000	10%	13%	26%	48%
	$5,00	12%	19%	25%	57%
$2,750 ($275/GAME)	$10,000	12%	13%	26%	51%
	$5,00	17%	19%	25%	62%
$2,250 ($225/GAME)	$10,000	13%	11%	27%	51%
	$5,00	19%	16%	28%	63%

average seats 2.7

DEFINITELY PURCHASE | LIKELY PURCHASE | POSSIBLY PURCHASE

MARKET SURVEY **OVERVIEW**

- Overall, the majority of local (67 percent) and non-local (77 percent) respondents have a positive attitude towards the NFL in Las Vegas.
- The vast majority of local (79 percent) and non-local (80 percent) respondents have an interest in attending NFL games in Las Vegas.
- For non-locals, the most important elements affecting their decision to travel to Las Vegas to attend NFL games are the cost of tickets (86 percent) and the ability to watch their favorite NFL team play (56 percent).
- All survey respondents (locals and non-locals) showed the highest levels of initial interest in upper level sideline, lower level sideline/corner, and upper level corner seat locations.
- Approximately 32 percent of locals and 23 percent of non-locals showed an interest in purchasing club seats (lower level or mezzanine level).
- Outside of NFL games, locals and non-locals were most interested in attending concerts, music festivals, and NCAA football games at a new stadium in Las Vegas.
- **Approximately 65 percent of all respondents indicated that trips to Las Vegas to watch NFL games would be in addition to their existing trips to Las Vegas.**

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9 BUILDING PROGRAM

CONVENTIONS SPORTS & LEISURE MAJESTIC REALTY CO. Sands LAS VEGAS SANDS CORP.

BUILDING **PROGRAM**

6,000 club seats

70 luxury suites (1)

30 party suites

65,000 capacity

1 Note: Luxury suite inventory should include a number of suites with the ability to accommodate groups in excess of 100 people (i.e. "casino suites")

MAJESTIC REALTY CO.

LAS VEGAS SANDS CORP.

10 PRELIMINARY COST MODEL

CONVENTIONS SPORTS CSL LEISURE

MAJESTIC REALTY CO.

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LAS VEGAS SANDS CORP.

PRELIMINARY COST MODEL

Building Program:	State-of-the-Art Collegiate Stadium	Open-Air Stadium	Enclosed Stadium	Enclosed NFL Stadium
Total Square Feet	860,000	900,000	1,100,000	1,800,000
Total Seating Capacity	42,000	50,000	50,000	65,000
Luxury Suite Inventory	50	50	50	100
Club Seat Invcentory	2,500	2,500	2,500	6,000
Project Costs:				
Hard Construction	$373,667,000	$490,661,000	$647,416,000	$822,847,000
Soft Costs	93,417,000	122,665,000	161,854,000	257,140,000
On-Site Improvements	34,500,000	34,500,000	34,500,000	34,500,000
Off-Site Improvements	26,100,000	26,100,000	26,100,000	26,100,000
Structured Parking	42,000,000	82,500,000	82,500,000	82,500,000
Surface Parking	11,700,000	11,700,000	11,700,000	11,700,000
Total	**$581,384,000**	**$768,126,000**	**$964,070,000**	**$1,234,787,000**

Based on the research conducted, there is a need for an enclosed stadium in Las Vegas.

11 NAMING RIGHTS & SPONSORSHIP VALUATION

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COMPARATIVE ANALYSIS

STADIUM NAMING RIGHTS

Naming rights revenue continues to rise for both MLB and NFL stadium. The charts show naming rights that were secured over the past 10 years. Based on public sources, the four MLB new stadiums have an average annual fee of $9,750,000, while the seven NFL deals have an average annual fee is $11,716,000.

Naming Rights - Major League Baseball

Team	Stadium Name	Total Term Revenue	Term	Average Annual Fee
Atlanta Braves	SunTrust Park	$250,000,000	25	$10,000,000
Minnesota Twins	Target Field	$125,000,000	25	$5,000,000
New York Mets	Citi Field	$400,000,000	20	$20,000,000
St. Louis Cardinals	Busch Stadium	$80,000,000	20	$4,000,000
	MLB AVERAGE	**$213,750,000**	**23**	**$9,750,000**

Naming Rights - National Football League

Team	Stadium Name	Total Term Revenue	Term	Average Annual Fee
Arizona Cardinals	University of Phoenix Stadium	$146,680,000	19	$7,720,000
Dallas Cowboys	AT&T Stadium	$360,000,000	20	$18,000,000
Indianapolis Colts	Lucas Oil Stadium	$115,330,000	19	$6,070,000
New York Giants | Jets	MetLife Stadium	$425,000,000	25	$17,000,000
San Francisco 49ers	Levis Stadium	$220,400,000	20	$11,020,000
Minnesota Vikings	U.S. Bank Stadium	$220,000,000	25	$8,800,000
Atlanta Falcons	Mercedes-Benz Stadium	$335,000,000	25	$13,400,000
	NFL AVERAGE	**$260,344,286**	**22**	**$11,716,000**

KEY DETERMINANTS **OF VALUE**

The amount a stadium can command from naming rights depends on the following factors:

MARKET SIZE + MEDIA COVERAGE. Sponsors are willing to pay more for naming rights for teams and venues that generate a considerable amount of media coverage — TV, radio, print and online. Markets larger in size typically generate greater exposure for a naming rights partner.

BROADCAST EXPOSURE. Major stadiums throughout the U.S. have games broadcast on TV and radio throughout the year. Although mostly regional broadcasts, national exposure is often available to teams with success and those in larger markets. In return, sponsors are willing to pay a premium for naming rights to facilities that receive a high degree of broadcast exposure.

NEWNESS OF THE FACILITY. Properties can command more for naming rights for a new stadium. New stadiums tend to be state-of-the-art and architecturally significant, whereas properties can face obstacles in renaming older facilities that have been known by a certain name for an extended period of time.

NUMBER OF EVENTS. More is better when it comes to naming rights dollars. The more events a facility hosts on an annual basis, the more fans in the stands, the more value to a naming rights partner. The type of events a stadium hosts on an annual basis can also impact the amount a venue can command for naming rights.

HISTORICAL SUCCESS. In most cases, wins and losses matter. A team and venue's historical success in terms of on-field success typically has an impact on the overall value of naming rights.

QUALITATIVE VALUE. Although naming rights provide substantial quantitative benefits to the sponsor, the real value lies in the qualitative benefits of the relationship between sponsor and property. Only through naming rights & sponsorship can a brand actually borrow a property's image, track record and audience loyalty and differentiate itself from competitors.

SPONSORSHIP

REVENUE PROJECTIONS - 2019

The chart to the right illustrates the projected sponsorship revenue for the Las Vegas Stadium in 2019. This includes naming rights, major partners and other sponsors.

CATEGORY	NON-NFL STADIUM	NFL STADIUM
NAMING RIGHTS	$3,500,000	$7,975,000
MAJOR SPONSORS (6+)	$4,500,000	$18,400,000
TOTAL SPONSORSHIP	**$8,000,000**	**$26,375,000**

Note: CSL estimates that an NFL team would generate an additional $21.4 million in other sponsorship revenue.

12 ECONOMIC & FISCAL IMPACT ANALYSIS

CONVENTIONS SPORTS & LEISURE

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EVENTS & ATTENDANCE

ENCLOSED STADIUM EVENTS & ATTENDANCE		
	Events	Average Attendance
NFL	0	65,000
UNLV FOOTBALL	6	40,000
SOCCER	2	40,000
CONCERTS	2	35,000
RUGBY	4	22,500
LAS VEGAS BOWL	1	55,000
NEW BOWL GAME	1	55,000
NEUTRAL SITE CFB GAME	2	55,000
SIGNATURE EVENTS	2	55,000
MOTORSPORTS	3	45,000
COMBATIVE EVENTS	1	55,000
MAJOR NON-RECURRING	2	55,000
TOTAL	**26**	

ENCLOSED STADIUM EVENTS & ATTENDANCE NFL INCLUDED		
	Events	Average Attendance
NFL	10	65,000
UNLV FOOTBALL	6	40,000
SOCCER	2	40,000
CONCERTS	2	35,000
RUGBY	4	22,500
LAS VEGAS BOWL	1	55,000
NEW BOWL GAME	1	55,000
NEUTRAL SITE CFB GAME	2	55,000
SIGNATURE EVENTS	2	55,000
MOTORSPORTS	3	45,000
COMBATIVE EVENTS	1	55,000
MAJOR NON-RECURRING	2	55,000
TOTAL	**36**	

Note: Major Non-Recurring Events include events that either rotate sites on an annual basis or do not occur every year (i.e. the NCAA Final Four, the NFL Pro Bowl, Republican/Democratic National Convention, X Games or the SEMA Show). A signature event is an event that is held annually, attracts a large contingent of out-of-town visitors, includes advanced media elements that support ticket sales and has the potential to grow and include spin-off events (i.e. major championship games, Miss Universe Pageant, Las Vegas Marathon, Academy of Country Music Awards, Armed Forces Classic, Champions Classic and other major annual events).

IMPACT OF UNCOVERED STADIUM

An uncovered stadium could result in the loss of up to **9 major** events annually

Event Type	Enclosed Stadium	Open-Air Stadium	Open-Air Stadium Event Variance
UNLV Football	6	6	0
Soccer	2	1	-1
Concerts	2	1	-1
Rugby	4	4	0
Las Vegas Bowl	1	1	0
New Bowl Game	1	0	-1
Neutral Site CFB Game	2	1	-1
Signature Events	2	0	-2
Motorsports	3	3	0
Combative Events	1	0	-1t
Major Non-Recurring	2	0	-2
Total	**26**	**17**	**-9**

- An enclosed stadium would allow events to be held year-round
- An enclosed stadium would provide a climate-controlled space, protected from the elements
- Major signature and non-recurring events typically prefer an enclosed stadium in order to host events in a conditioned space available year-round.

SUMMARY OF **CSL ECONOMIC & FISCAL IMPACTS**

ECONOMIC IMPACT SUMMARY Net New Annual Operations Impacts:		
Direct Spending	$472,092,000	$432,321,000
Total Output	$785,580,000	$713,647,000
Jobs (FTEs)	7,055	6,643
Earnings	$298,183,000	$268,113,000
FISCAL IMPACT SUMMARY Net New Annual Operations Impacts:		
Sales Tax	$10,933,000	$13,718,000
Live Entertainment Tax	N/A	7,885,000
Modified Business Tax	N/A	41,000
Hotel Tax	4,362,000	2,028,000
NV General Fund Gaming Tax	N/A	10,008,000
Car Rental Tax	67,000	333,000
Total	$15,362,000	$34,013,000
Total Combined		**$49,375,000**

ECONOMIC IMPACT SUMMARY - NFL INCLUDED Net New Annual Operations Impacts:		
Direct Spending	$766,477,000	$638,771,000
Total Output	$1,263,595,000	$1,051,307,000
Jobs (FTEs)	11,064	9,722
Earnings	$478,430,000	$393,896,000
FISCAL IMPACT SUMMARY - NFL INCLUDED Net New Annual Operations Impacts:		
Sales Tax	$16,027,000	$20,237,000
Live Entertainment Tax	N/A	10,723,000
Modified Business Tax	N/A	41,000
Hotel Tax	6,260,000	2,915,000
NV General Fund Gaming Tax	N/A	14,319,000
Car Rental Tax	96,000	479,000
Total	$22,383,000	$48,714,000
Total Combined		**$71,097,000**

30-Year NPV
$1.3B

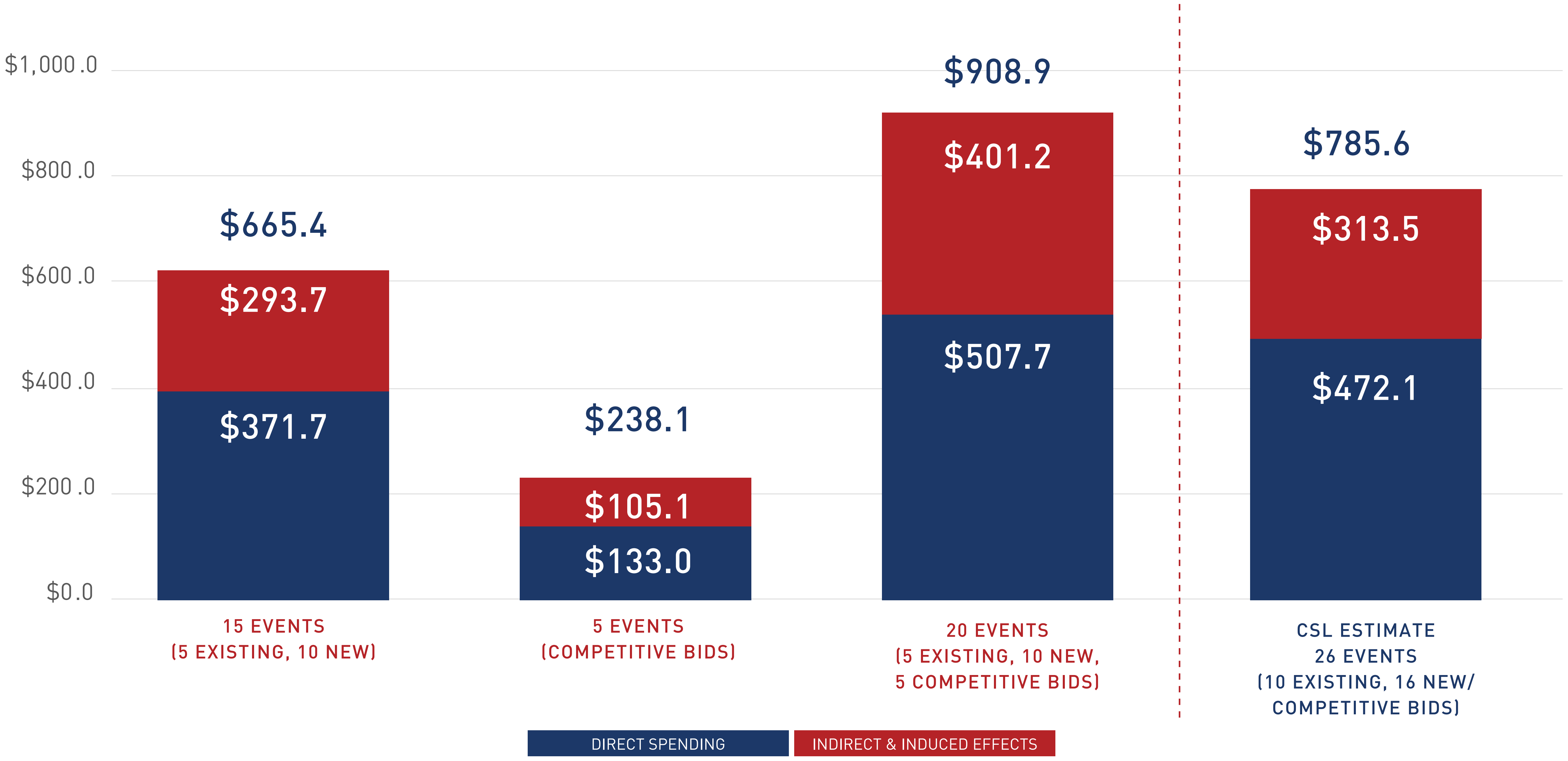
30-Year NPV
$920M

Note: Visitor spending is based on the LVCVA 2014 Visitor Profile Study inflated to 2019 and adjusted for event-specific attendees.

ECONOMIC IMPACT **ESTIMATES**

Dr. Mark Rosentraub, University of Michigan Center for Sport and Policy

TOTAL ECONOMIC OUTPUT



ROSENTRAUB ECONOMIC IMPACT ESTIMATES

Dr. Mark Rosentraub, University of Michigan Center for Sport and Policy

PROJECTED ANNUAL INCREMENTAL DIRECT VISITOR EXPENDITURES			
	15 Events	5 Events	20 Events
	(5 Existing, 10 New)	(Competitive Bids)	(5 Existing, 10 New, 5 Competitive Bids)
Lodging	$58,328,000	$20,868,000	$79,671,000
Food and Beverage	129,859,000	46,460,000	177,376,000
Retail Shopping	68,997,000	24,685,000	94,244,000
Entertainment (Shows)	21,910,000	7,839,000	29,928,000
Gaming	54,185,000	19,386,000	74,012,000
Local Transportation	31,709,000	11,345,000	43,312,000
Sightseeing	6,675,000	2,388,000	9,118,000
Total	**$371,663,000**	**$132,971,000**	**$507,661,000**

ROSENTRAUB ECONOMIC IMPACT **ESTIMATES**

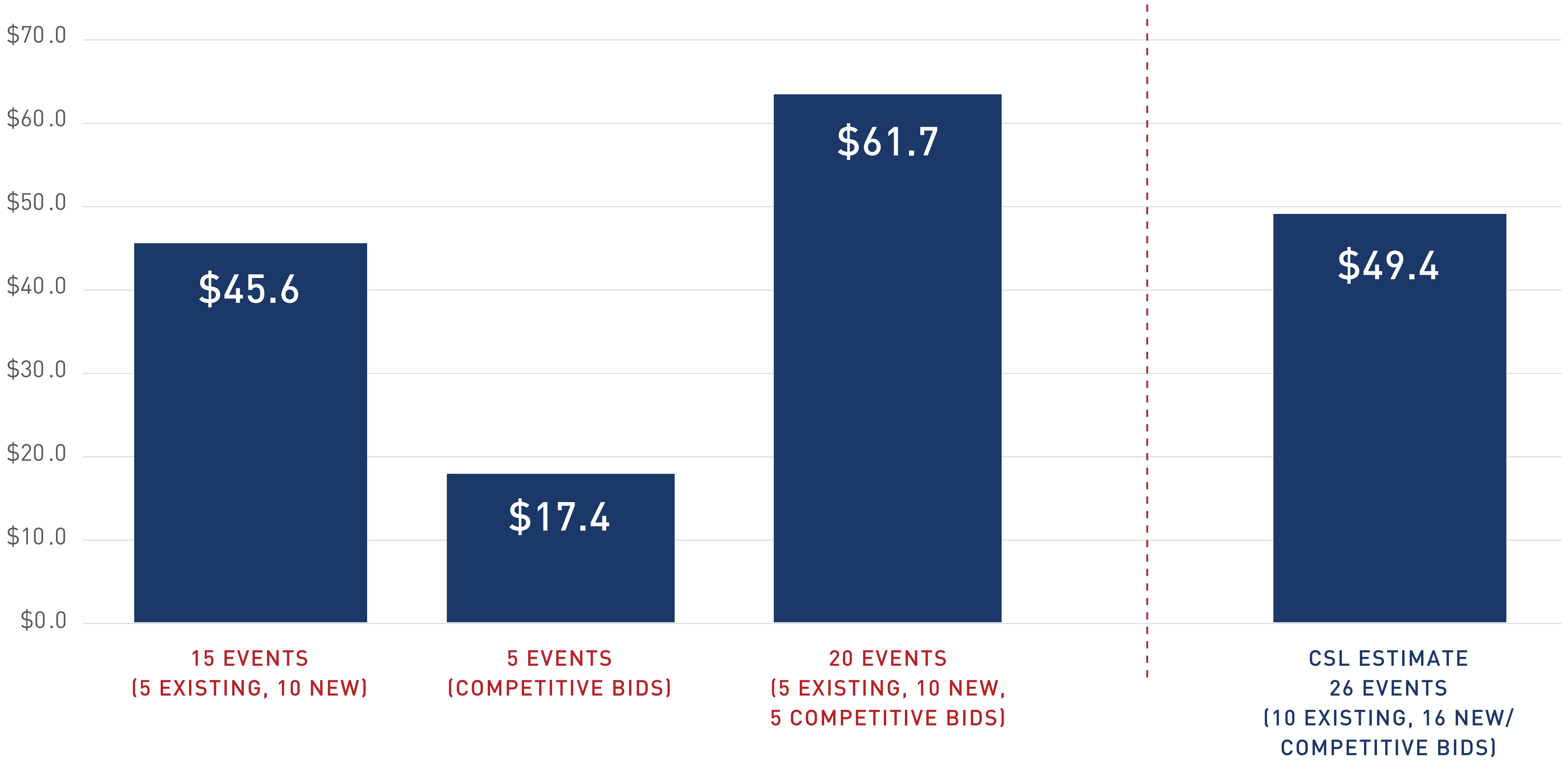
Dr. Mark Rosentraub, University of Michigan Center for Sport and Policy

ADDITIONAL SALES TAX REVENUE FROM INDIRECT & INDUCED EFFECTS 20 Events (5 Existing, 10 New, 5 Competitive Bids)			
	Incremental Visitor Expenditures (Direct)	Indirect & Induced	Total Economic Impact
Lodging	$79,671,000	$60,821,000	$140,492,000
Food and Beverage	177,376,000	126,717,000	304,093,000
Retail Shopping	94,244,000	66,244,000	160,489,000
Entertainment (Shows)	29,928,000	21,277,000	51,204,000
Gaming	74,012,000	91,021,000	165,033,000
Local Transportation	43,312,000	27,009,000	70,321,000
Sightseeing	9,118,000	8,123,000	17,241,000
Total	**$507,661,000**	**$401,212,000**	**$908,873,000**
	Sales Taxable Transactions	$87,030,000	
	Additional Sales Tax Revenue	$7,093,000	

ROSENTRAUB ECONOMIC IMPACT **ESTIMATES**

Dr. Mark Rosentraub, University of Michigan Center for Sport and Policy

TOTAL INCREMENTAL TAX REVENUES



ROSENTRAUB ECONOMIC IMPACT ESTIMATES

Dr. Mark Rosentraub, University of Michigan Center for Sport and Policy

DETAILED INCREMENTAL TAX REVENUES			
	15 Events	5 Events	20 Events
	(5 Existing, 10 New)	(Competitive Bids)	(5 Existing, 10 New, 5 Competitive Bids)
State Sales and Use Tax	$5,183,000	$1,854,000	$7,080,000
Local School Support Tax	6,738,000	2,411,000	9,203,000
Supplemental City/County Relief Tax	4,535,000	1,623,000	6,195,000
Basic City/Council Relief Tax	1,296,000	464,000	1,770,000
Public Mass Transportation Tax	648,000	232,000	885,000
Transportation/Air Quality Tax	648,000	232,000	885,000
Flood Control	648,000	232,000	885,000
Water and Wastewater Improvements	648,000	232,000	885,000
Public Safety Tax	777,000	278,000	1,062,000
Combined Sales Tax	**$21,121,000**	**$7,558,000**	**$28,850,000**
Additional Sales Tax (Indirect & Induced)	5,193,000	1,858,000	7,093,000
Live Entertainment Tax	8,098,000	4,001,000	10,432,000
Hotel Taxes	6,999,000	2,504,000	9,561,000
State General Fund Gaming Tax	4,199,000	1,502,000	5,736,000
Total Tax Revenues Generated	**$45,610,000**	**$17,423,000**	**$61,672,000**

ROSENTRAUB ECONOMIC IMPACT **ESTIMATES**

Dr. Mark Rosentraub, University of Michigan Center for Sport and Policy

SPENDING ASSOCIATED WITH HOSTING EVENTS IN A NEW STADIUM IN LAS VEGAS					
Source of Sales Tax	5 Events	10 Events	15 Events	5 Events	20 Events
Revenue	(Existing)	(New)	(5 Existing, 10 New)	(Competitive Bids)	(5 Existing, 10 New 5 Competitive Bids)
Direct Spending	$6,109,000	$15,943,000	$21,121,000	$7,556,000	$28,849,000
Indirect & Induced Effects	$1,502,000	$3,920,000	$5,193,000	$1,858,000	$7,093,000
Total	**$7,611,000**	**$19,863,000**	**$26,314,000**	**$9,414,000**	**$35,942,000**

MAJESTIC REALTY CO.

LAS VEGAS SANDS CORP.

13 LAS VEGAS MARKET VIABILITY

MULTI-PURPOSE STADIUM
MARKET VIABILITY

LAS VEGAS IS A VIABLE MARKET FOR A MULTI-PURPOSE STADIUM:

1. Las Vegas does not have a state-of-the-art venue to host events requiring more than 40,000 seats.
2. Sam Boyd Stadium is limited by its location and capabilities to support the needs of large-scale, major events.
3. Signature and large-scale events that would normally consider Las Vegas as a potential site cannot be accommodated without an enclosed facility.
4. Las Vegas is the entertainment capital of the world and a new multi-purpose stadium would allow for the area to retain existing major events and attract new events that would draw incremental visitors to the area.
5. Las Vegas attracts over 42 million domestic and international visitors annually.
6. With nearly 150,000 hotel rooms, Las Vegas has the existing infrastructure to accommodate incremental visitors to the area.
7. Las Vegas has a far-reaching regional market, with a population that is conditioned to traveling to the area for events and entertainment.
8. New multi-purpose stadium is estimated to generate $49.4 million in tax revenue from annual operations to Clark County and the State of Nevada

LAS VEGAS
IS AN NFL MARKET

LAS VEGAS IS A VIABLE NFL MARKET BASED ON THE FOLLOWING:

1. No current major professional teams in the marketplace
2. Highest total population per professional sports franchise (2.1 million) among NFL markets
3. 5th-highest corporate base per major professional sports franchise (1,223) among NFL markets
4. Demand for approximately 55,000 season tickets that could generate $150 to $200 million in PSL revenue
5. NFL franchise could contribute $200 to $300 million towards stadium funding (includes PSL revenue)
6. Opportunity to expand Las Vegas' existing tourist base
7. Highly attractive destination for away fans
8. NFL team would serve as a regional team capable of drawing from Southern and Northern California and Nevada
9. Significant presence of major resort and entertainment corporations with a business model that focuses on entertaining high-level clientele
10. New stadium with NFL is estimated to generate $71.1 million in tax revenue from annual operations to Clark County and the State of Nevada

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Sands
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Southern Nevada Tourism Infrastructure Committee

Goldman, Sachs & Co.

March 24, 2016

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Greg Carey
Chairman of Public Sector & Infrastructure
Goldman, Sachs & Co.

Greg Carey Bio

- Began his career as an analyst in 1983 and has over 33 years of stadium, sports, project finance and infrastructure expertise
  - — Completed over $125 billion in financing
  - — Advised and financed 35 stadium projects
- Primarily focuses on financings in the municipal market, ranging from revenue bond credits and project financings for sports facilities, large toll roads, ports, and public private partnerships (P3s) in the U.S.
- Three clients have been selected as Institutional Investor's "Deal of the Year" award winners
- In 2016, named "60 Most Powerful People in Sports" by *Worth Magazine* and profiled by Bloomberg in January of 2015
- In 2007, named "Top 100 Power Players of Sports" *by BusinessWeek*
- Served as a professor at New York University, teaching "Investment Analysis of Sports Facilities" through the Tisch Center for Hospitality, Tourism, and Sports Management
- Earned an AB in Economics from Harvard College in 1983

Sports Teams and Related Clients

Goldman Sachs' Personnel are Leaders in Sports Facility Financings and Refinancings

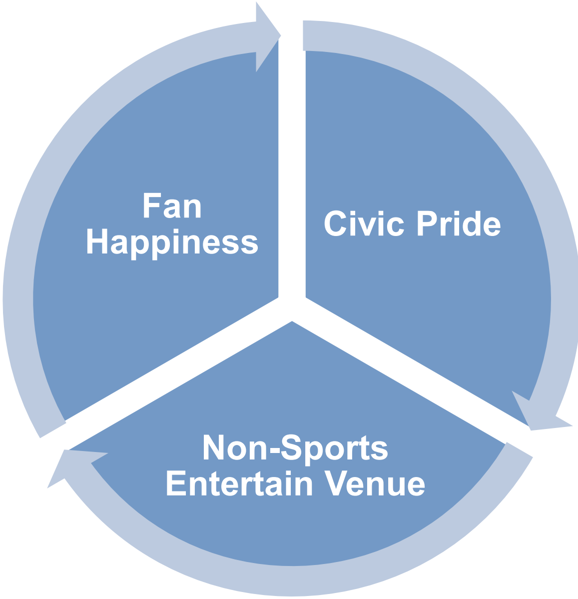
DC United Lead arranger / structuring agent on new Stadium financings **TBD**	**Milwaukee Bucks** Structuring Agent for proposed arena financing **TBD**	**Los Angeles Football Club** Structuring Agent for proposed stadium financing **TBD**	**Miami MLS** Structuring Agent for proposed stadium financing **TBD**	**San Diego Chargers** Structuring Agent for proposed stadium financing **TBD**	**Tottenham Hotspur** Lead arranger / structuring agent on £200m Bridge Facility to Stadium construction financings **December 2015**
AS Roma Structuring Agent on Stadium Financing and Lead Arranger on a €175m Media Rights & Sponsorship Securitization **February 2015**	**Sacramento Kings** Lead Arranger for $280m Long-Term Take-Out Financing & Structuring Agent for $265m Arena Construction Loan **July 2014 / December 2015**	**Inter Milan** Structuring Agent and Joint Lead Arranger on a €230m Media Rights & Sponsorship Securitization **June 2014**	**Sacramento Kings** Lead Arranger for $35m Senior Secured Multi-Draw Credit Facility **January 2014**	**Los Angeles Dodgers** Structuring Agent, Joint Leader Arranger and Syndication Agent for $500m Senior Secured Loan Facility **December 2013**	**Minnesota Vikings** Structuring Agent and Co-Lead Arranger for new stadium financing **November 2013**
San Francisco 49ers Lead arranger, structuring agent, and placement agent for $850m stadium financing and subsequent refinancing **March 2012 / June 2013**	**New York Football Giants** Sole advisor, lead arranger, and placement agent on initial $650m and subsequent $500m & $150m refinancing of MetLife **May 2009 / June 2010 / April 2015**	**National Football League** Lead placement agent on $835m league wide facility, teams use for working capital **April 2010**	**Miami Dolphins** Advisor and remarketing agent on $235m outstanding letter of credit refinancing for Sun Life Stadium **March 2010 / June 2012**	**Circuit of the Americas** Joint Lead Bookrunner & Arranger, Sole Structuring Agent for $165m financing for Formula 1 purpose-built racing facility **August 2012**	**New York Football Giants** Structuring and Placement agent on $87m senior secured notes for construction of the training facility **February 2011**
Atlanta Spirit Senior manager on $125m restructuring of existing taxable debt **November 2010**	**New York Yankees** Sen Manager on $259m Completion Bond and $967m PILOT Bonds; Lead arranger on $105m bank loan and refi. **Aug 2006 / Oct 2010 / Dec 2015**	**Brooklyn Nets** Senior manager on $511m tax-exempt PILOT bonds to fund Barclays Center **December 2009**	**Louisville Cardinals** louisville arena authority Senior manager on $360m tax-exempt and taxable financing for new arena **September 2008**	**Orlando Magic** Advisor on arena financing, lead arranger on $98m taxable bonds, senior manager on $270m tax-exempt bond **July 2009, March 2008**	**Legends Hospitality Mgmt** Lead arranger on initial $108m senior secured credit facility, advisor on subsequent $125m refinancing, and joint lead arranger and bookrunner on latest $225m senior secured credit facility **Sep 2008 / Apr 2011 / Apr 2013 / Dec 2015**
Minnesota Twins Arranger on $210m taxable financing for new stadium **July 2008**	**Memphis Grizzlies** Senior Manager on $200m financing for a portion of new arena construction **April 2007**	**New England Patriots** Sole manager on $252m refinancing of taxable stadium bonds Advisor on $460m New Stadium Bonds **December 2006 / 2000**	**Indianapolis Colts** Senior Manager on $400m tax-exempt bonds for new stadium **October 2005**	**Pittsburgh Steelers** Advisor on $287m financing for new stadium **September 2002**	**Fresno State Bulldogs** Senior Manager on $74m tax-exempt bonds for new stadium **January 2002**
Kansas Speedway Senior Manager on taxable and tax-exempt bonds for racetrack financing **January 1999**	**Houston Astros** Senior Manager on $265m taxable and tax-exempt financing for new stadium **August 1998**	**Indiana Pacers** Senior Manager on $175m financing for new stadium **December 1997**	**Tampa Bay Buccaneers** Senior Manager on $169m financing for new stadium **June 1997**	**Seattle Mariners** Senior Manager on $422m financing for new stadium **April 1997**	**Tennessee Titans** Senior Manager on $292m financing for new stadium **April 1997**
		Tampa Bay Lightning Senior Manager on $139m taxable and tax-exempt bonds for new stadium **August 1995**	**St. Louis Rams** Senior Manager on $280m taxable and tax-exempt bonds for new stadium **December 1993**		

Tangible and Intangible Effects of Sports Facilities in the Community

Impact is Bigger than Economic

- Beyond direct impacts to the economy, there are significant benefits from having a state-of-the-art multi-purpose arena and a major sports team that are more difficult to quantify
- The benefits of a new facility can also include intangible quality-of-life benefits
  - Social benefits that affect how a community views itself, how community members get along, and the happiness of community members
- Various community groups and non-profit organizations generally benefited from the presence and communities participation of professional sports teams and respective leagues
  - Each year, players, coaches and staff volunteer their time to a wide range of non-profit organizations
  - Teams often make significant financial contributions to numerous charitable causes in their home state

Intangible Quality of Life benefits



The qualitative impacts of a new arena and professional sports franchises should be considered in a comprehensive review of the economic benefits to a state and local government

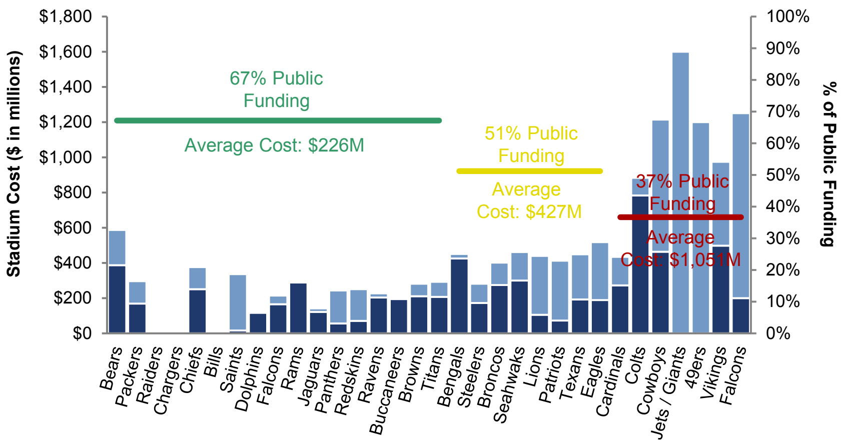
Source: Convention Sports & Leisure Economic and Jobs impact Study

Public / Private Contributions for Major Sports Facilities

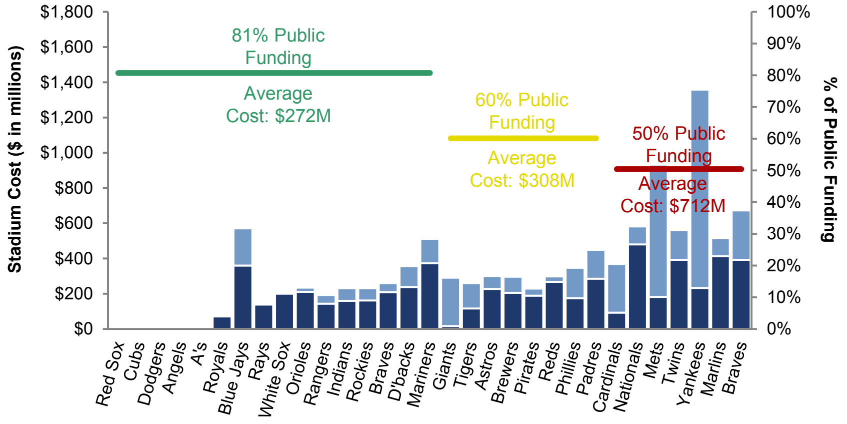
Overview

- As the cost of Stadiums and Arenas in the US continues to trend upward, the relative public funding available for new facilities has declined
  - The impact of the financial crisis has had a noticeable impact of the willingness of state and local governments to contribute to private facilities
- Sports teams are now faced with additional pressures to bridge the funding gap created by the reduction in the availability of public money

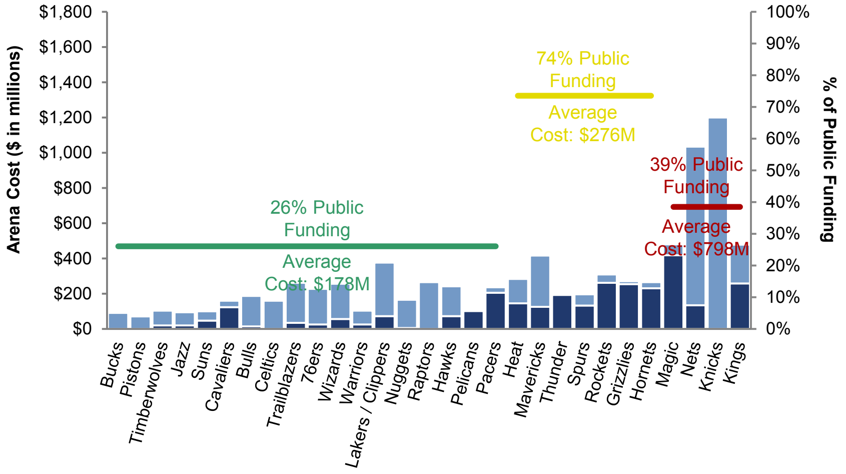
National Football League



Major League Baseball



National Basketball League

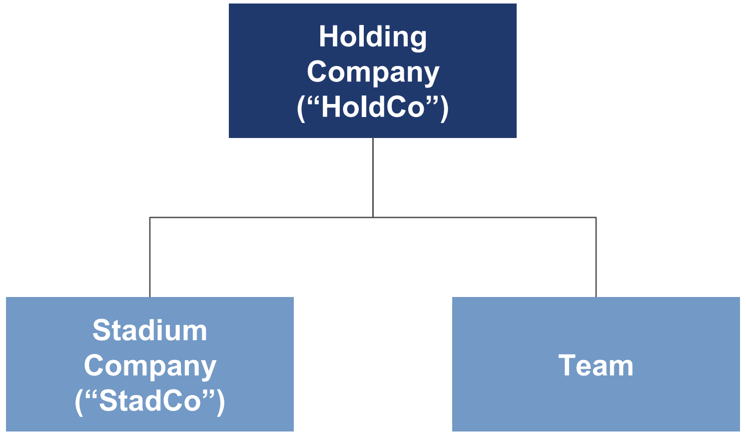


Private Financing | Public Financing | Pre-2000 | 2000-2006 | Post-2006 (Financial Crisis)

Typical StadCo Financing Structure

Las Vegas Stadium would Likely Require the Next Evolution of Structure

Typical Structure



StadCo Revenues

- Naming Rights
- Sponsorships
- Premium Seating
- Parking
- Concessions

Team Revenues

- Media rights
- Tickets
- Team Sponsorships
- Other Local Revenue
- NFL Distributions

Description of Structure and Rationale

- Holding Company (“HoldCo”) owns two separate entities that are sister subsidiaries – the Team and Stadium Company (“StadCo”)
- StadCo controls the Stadium (typically via a lease with a municipality) and subleases it to the Team
  - Delineates rights and division of revenues
- The structure enables StadCo to be a bankruptcy remote, special purpose entity that can be rated separately from the Team
  - Purpose clause limited
  - Separateness covenants
  - Limitations on the incurrence of indebtedness
  - Independent director
- StadCo financings typically have the following elements:
  - 2.00-2.50x debt service coverage
  - 6-12-month debt service reserve fund
  - Springing strike reserve fund
  - Non-relocation agreement

Typical StadCo Financing Terms

Financings are structured consistent with rating agency criteria for stadiums

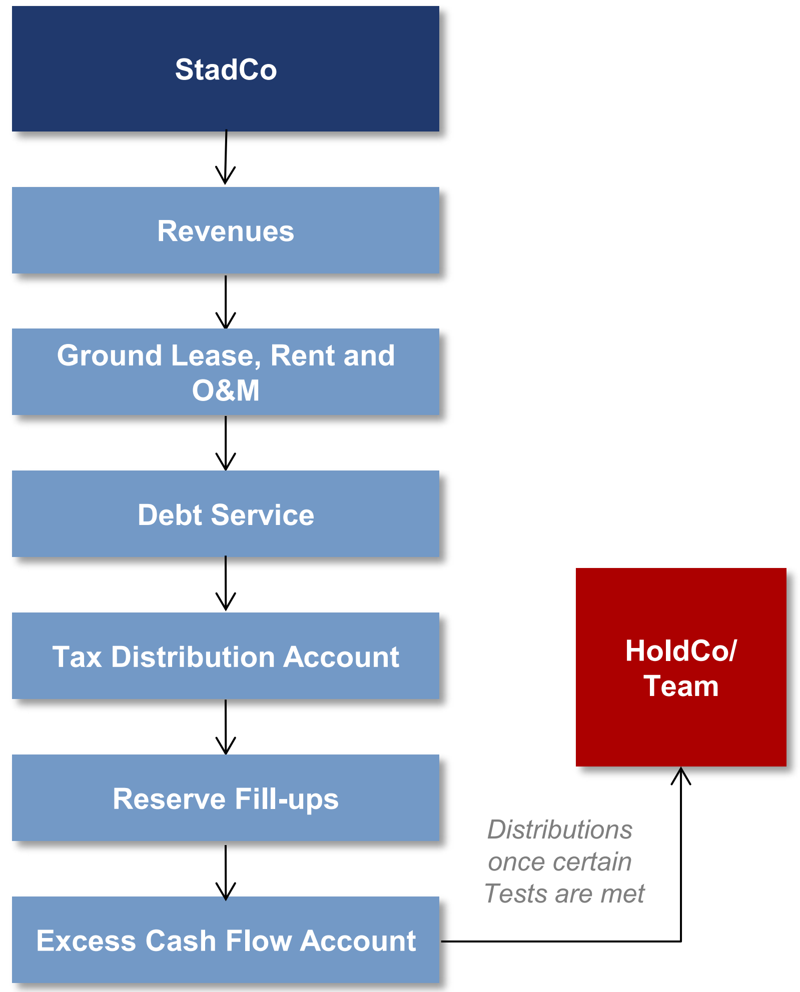
Rating Agency Structuring Considerations

- **Minimum Debt Service Coverage Ratio**
  - Contractually obligated revenue = 1.75-2.25x
  - Total pledged net revenue = 2.0-2.5x
- **Required Reserves**
  - DSRF = 6-month minimum
  - Operations & Maintenance = 3+ months
  - Springing strike reserve if certain conditions are met
  - Capital expenditure reserve

Waterfall Summary

- StadCo financings have a waterfall with distribution conditions:
  - Fill-up of annual fiscal year requirements required
  - Minimum debt service coverage ratio
  - No Event of Default
  - Contribution to capital expenditure reserve
- With 2.0x debt service coverage, distributions from StadCos are significant enabling the Team to invest strategically and become more competitive

Waterfall



US Bank Stadium (2016-17 NFL Season)

Minnesota Vikings and Minnesota Sports Facility AuthorityOpening August 2016

- US Bank Stadium is on schedule to open for the 2016-17 NFL Season
- Final legislation was signed into law on May 16, 2012
  - Created a new public authority, the Minnesota Sports Facility Authority ("Authority"), to own, operate and construct the new stadium
- The Authority provided ~44% of the stadium's initial construction cost from tax-exempt bond financings
  - $348mm from the State of Minnesota backed by new gambling revenues (primarily electronic pulltabs) appropriated by the legislature
  - $150mm from the City of Minneapolis backed by various taxes (liquor, hotel, sales and use)
- $125mm of SBLs sold by the Authority counted against the Team's required private contribution to the stadium
- US Bank Stadium is being built on top of the former Metrodome site in downtown Minneapolis with a clear roof, which will create an outdoor feel within a climate-controlled environment
- The stadium will be owned and operated by the Authority
  - The Authority and the Vikings chose SMG as the US Bank Stadium operator
- The Authority will maximize the use of the stadium by attracting events that create economical, fiscal and social benefits to the State and local communities
- GS served the Vikings as structuring agent for over two years on reviewing various financing options and assisted with the public approval process

Sources and Uses of Stadium Project ($000)

Sources of Funds	
State of Minnesota	$ 348,000
City of Minneapolis	150,000
Private Contribution	152,000
SBL Proceeds	125,000
NFL G-4 Financing	200,000
Equity from Owners	72,750
Owner Contingency Guarantee	26,400
Concessionaire Contribution	12,000
Total Sources	**$ 1,086,150**

Uses of Funds	
Stadium Construction	$ 1,031,470
Site Acquisition and Development	54,680
Total Uses	**$ 1,086,150**

US Bank Stadium (2016-17 NFL Season)

Relationship of Transaction PartiesOpening August 2016

Overview of Structure

State of Minnesota (“State”)

Legislation created Authority and transferred existing assets from Commission to Authority

Minnesota Sports Facility Authority (“Authority”)

Leases Stadium to StadCo

Vikings Stadium Company LLC (“StadCo”)

Sub-Leases Stadium to Team

“Vikings”

Revenue Allocation Between Parties

Authority

- Revenues
  - Stadium Builder’s License (“SBL”) Proceeds
  - Net Revenues from Non-NFL Events
  - OpEx and CapEx reimbursements from StadCo and State
- Expenses
  - All Stadium Operating Expenses

StadCo

- Revenues
  - Suites
  - Premium Seating
  - Naming Rights and Sponsorships
  - Concessions
  - Merchandise
- Expenses
  - NFL Day of Game expenses
  - $8.5mm/year towards operating expenses
  - $1.5mm/year towards capital expenditures
  - All expenses grown annually at 3%

O2 Arena Case Study

O2 Arena Overview

- The O2 Arena ("O2") is an entertainment complex on the Greenwich peninsula in London, United Kingdom
  - — The O2 is unique in that it is a premier Arena however it does not have an anchor tenant
- The O2 was developed by Anschutz Entertainment Group ("AEG") and designed by Populous and Buro Happold for £600 million
- The O2 has hosted musical events, sports events including tennis, ice hockey, basketball, gymnastics, mixed martial arts, boxing and many more
  - — As of 2015, the O2 is the busiest music arena in the world in terms of ticket sales
  - — The O2 has capacity for 20,000, hosting concerts, sporting events, and concerts[1]
- Meridian Delta (a subsidiary of Quintain Estates and Development and Lend Lease) signed a 999-year lease for the Dome and its surrounding land with the government and English Partnerships (a UK governmental body for national regeneration which was assigned the regeneration of the Greenwich Peninsula)
  - — The Dome site was then sub-leased to AEG for a minimum of 58 years
  - — English Partnerships leased the arena directly to AEG Europe for 58 years

Aerial View

The O2 Arena

[1] http://content.tfl.gov.uk/cs-the-o2.pdf

Downtown Orlando Development

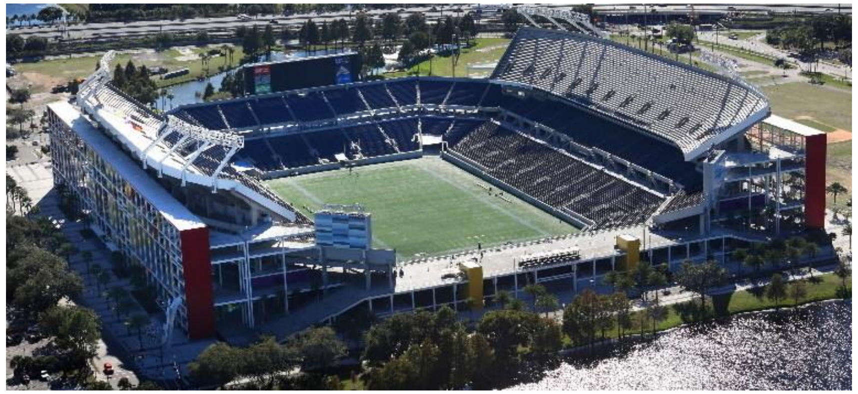
District Overview

- The Amway Center, Dr. Phillips Center for the Performing Arts and the Citrus Bowl will be joined in 2016 by a new soccer specific stadium for Orlando's new MLS franchise
- The City of Orlando has help to fund these facilities with the issuance of bonds back by the Tourist Development Tax
  - — The TDT bonds are limited obligations of the city secured primarily by a 6% tax which is added to hotel, motel and other short-term lodging bills

Amway Center

MLS Stadium

Citrus Bowl



Orlando Citrus Bowl

Overview

- The Citrus Bowl is owned by the City of Orlando and operated by Orlando Venues
- Orlando Venues schedules, operates and maintains the City's public assembly facilities which includes the Orlando Citrus Bowl Stadium
  - Orlando Venues mission is to "provide a broad spectrum of entertainment including theatrical, cultural and sporting events that will attract people from all ages and ethnic groups"
- The stadium is located west of new sports and entertainment facilities including the Amway Center, the Dr. Phillips Center for the Performing Arts and the under-construction Orlando City Stadium

Sources and Uses of 2014A Bonds

Sources of Funds	
Par Amount of 2014A Bonds	$ 236,290
2014A Bond Premium	24,090
Other City Funds	25,000
Total Sources	**$ 285,380**

Uses of Funds	
Construction Account	$ 236,667
Debt Service Reserve Account	8,067
Liquidity Account	8,067
CRA Reserve Fund	25,000
Capitalized Interest Account	6,152
Costs of Issuance	1,427
Total Uses of Funds	**$ 285,380**

Renovation

- It was announced in May 2013 that the Florida Citrus Bowl Stadium would undergo a reconstruction during 2014 at an estimated cost of $207mm
- About 90% of the stadium was torn down and replaced between January 29 and November 19, including portions that have stood since its original construction in 1937
- Proceeds from the 2014A financing were used for the acquisition, construction and equipping of a portion of the Performing Arts Center, the MLS Stadium, and the expansion and renovation of the Citrus Bowl

Security for 2014A Bonds

- In March 2014, the City of Orlando issued $236.3mm of Contract Tourist Development Tax Payment Revenue Bonds to fund the Stadium renovation
- The CRA Reserve Fund provides additional security for the bonds and was initially funded with a $25mm deposit for the City and Florida Redevelopment Agency

Amway Center Case Study

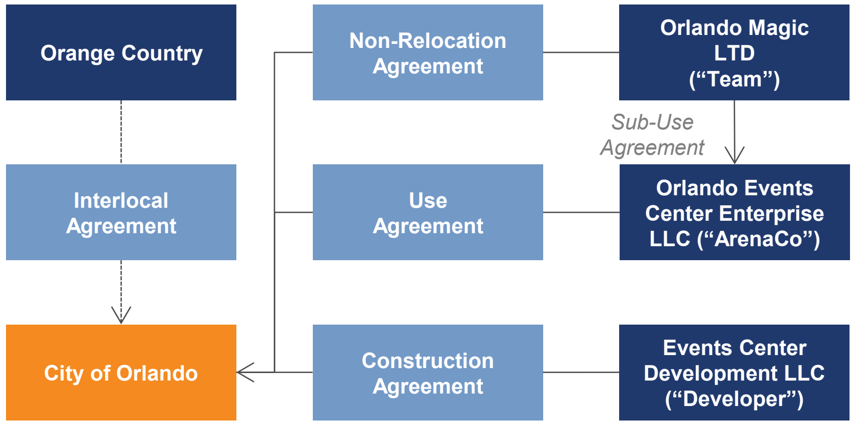
Orlando Magic (NBA)

- The Amway Center represented the outgrowth of eight intensive years of effort by the DeVos family to bring a state-of-the-art events center to Central Florida, a multi-purpose facility funded through a public/private partnership:
  - $480mm Project, including $100mm for land acquisition and infrastructure improvements, consisting of $430mm in public funding and $50mm of private funding
  - Use Agreement for the Amway Center that provide the team rights to all major revenue streams (naming rights, premium suites, and most advertising) without material operating responsibility or financial risk
- The Amway Center was funded primarily by the City of Orlando, through the issuance of the Series 2008A-C Tourist Development Tax ("TDT") Revenue Bonds
- The Magic made a $50mm contribution, which was financed in the bank loan market
- The Amway Center opened in the fall of 2010, the facility is owned and operated by the City of Orlando on behalf of the Central Florida Community
  - The Magic controlled the planning and construction of the facility
  - The Magic collect all proceeds from NBA game ticket sales and the City collects all proceeds from non-NBA related events
  - The Orlando Magic now pay rent of $2.8 million per year

Project Sources and Uses ($ in millions)

Sources of Funds	February 2008
Magic Contribution	$ 50,000
Present Value of Magic Rent Payments	12,000
State Sales Tax Rebate Bonds	31,000
Redevelopment – Sale of Land Proceeds	62,000
City Non-Ad Valorem Revenue Bonds	37,000
TDT Bonds (6th Cent)	270,000
Interest Earnings	18,000
Total Sources	**$ 480,000**
Uses of Funds	
Arena Construction	$ 380,000
Land, Parking, Road and Site Infrastructure	100,000
Total Uses of Funds	**$ 480,000**

Transaction Structure



I. Stadium Finance Risk Matrix

Stadium / Arena Financing Risk Matrix

Risk	Description	Mitigants
Construction	■ Most stadiums/arenas are secured solely by the revenues of the stadium/arena – if the stadium/arena is not built, revenues cannot be generated to pay back investors and owners. As a result, investors and owners care deeply about construction and want to understand the following risks: — Construction completion — Cost overruns — Construction delays — Contractor ■ Archeological/Historical site preservation issues	■ The type of construction contract utilized can reduce the amount of risk inherent in construction — Design-build contracts typically transfer the risks for design errors, cost overruns, and construction delays from the issuer to the contractor. Design-build contracts inherently have a guaranteed maximum price ("GMP") and guaranteed completion date built into the contract and recently have provided the best cost certainty on stadium/arena financings — If another type of construction contract is utilized, then a separate GMP agreement/contract must be entered into with the contractor. Typically, the contractor will not agree to this until at least 70-85% of the construction bid packages have been bid out. This is important because the GMP is required to be in place prior to closing the stadium/arena financing ■ To further mitigate cost overruns due to unforeseen conditions or owner directed changes, contingency reserves outside of the construction contracts are established – ideally equivalent to 10% of construction costs but this varies widely depending upon the overall construction package ■ Construction delays are addressed through a variety of mechanisms both within the construction contract as well as built into the financing structure — Liquidated damages are assessed against the contractor for each day of delay — The construction completion date is typically 3-6 months prior to the first official sporting event providing cushion in the event of delays — If possible, capitalized interest extends beyond the scheduled completion date from 6 months to 1 year — The first principal payment is due in the second year of operations ■ Finally, the Contractor selected is extremely important as their financial condition and strength will be evaluated as closely as the issuer's — Ideally, a well known stadium/arena contractor will be selected to build the facility with whom rating agencies and investors are familiar (Skanska, Hunt, Mortenson Construction, Turner Sports) — A guarantee provided by the Contractor's parent corporation (provided it is an investment grade rated entity with strong financials) can mitigate unrated or low rated contractor issues — A letter of credit procured by the Contractor for the issuer's benefit can overcome some Contractor concerns

Stadium / Arena Financing Risk Matrix

Risk	Description	Mitigants
Insurance	■ As with construction risk, insurance programs are crucial given the single asset risk investors are assuming. If the asset is destroyed, investors have no way of being made whole without insurance ■ Investors and rating agencies are concerned about insurance programs during construction as well as during operations	■ Insurance programs vary widely from project to project but elements typically consist of the following: — During construction: – Workers' Compensation – Commercial General Liability and Excess Liability – Contractor's Pollution Liability – Professional Liability – Builder's Risk - to cover cost of construction as well as delay in completion, if this additional coverage is purchased – Specialty insurance products given project (ie – Railroad Liability insurance if construction is near train tracks) — During stadium/arena operations: – Property Insurance – Terrorism Insurance, with commercially reasonable provisions – Business Interruption Insurance – Workers' Compensation – Liquor Liability – Excess/Umbrella – Ancillary coverage, including Auto Liability
Revenue	■ Stadium/Arena revenues typically encompass the following categories and are sensitive to economic conditions and the performance of the team: — Ticket sales, if allowed — Other event revenues — Student fees — Naming rights — Sponsorships — Luxury suites revenues — Club seat premiums — Parking — Concessions and Merchandise	■ A feasibility study is required on nearly all stadium/arena financings to: — analyze the market demand for the proposed facility, which typically includes telephone surveys and focus groups — review historic attendance and revenue performance — evaluate projected revenues — make recommendations regarding what is feasible with regards suite and club seat demand, sponsorship demand, and pricing for each category of revenues ■ Several firms perform feasibility studies – Goldman Sachs most frequently works with Convention, Sports, and Leisure ("CSL") based in Texas ■ In order to mitigate revenue uncertainty, rating agencies and investors demand debt service coverage of at least 2.5x for a new facility associated with an expansion/relocation team and 2.0x for an existing team moving into a new or renovated facility on the same/nearby premises

Risk	Description	Mitigants
Bankruptcy	■ In many stadium/arena financings, the ownership for the team is often the same as that for the stadium/arena. If the team declares bankruptcy, there is concern that the stadium/arena could be consolidated into the bankruptcy since so many stadium/arena revenues could be viewed as team revenues ■ The General Growth bankruptcy increased sensitivity on this topic as several bankruptcy remote SPE's were consolidated in a move that surprised investors and the market	■ Stadium/Arena Companies are structured to be bankruptcy remote special purpose entities ("SPE"). Standard & Poor's has SPE guidelines that are used as a guide — SPE's have an Independent Director, who must agree with a bankruptcy filing before one can be made ■ A non-consolidation opinion is required prior to closing laying out why the Stadium/Arena Company and team would not be consolidated in a bankruptcy – these require significant lead time to prepare and are often done by outside counsel not working on any other aspect of the financing
Ratings	■ Investors demand a minimum rating of Baa3/BBB- from at least one rating agency ■ Select investors need two ratings ■ Select investors demand at least one rating from S&P or Moody's	■ The structuring of the risks described above in accordance with the mitigants described above will address most of the concerns raised by the rating agencies ■ The key is to structure a deal that complies with rating agency criteria and/or is structured similarly to other stadium/arena deals that have been rated by the agency before meeting with the rating agencies ■ After meeting with the agencies, it is critical that the issuer is responsive to rating agency requests for information

SOUTHERN NEVADA MULTI-PURPOSE STADIUM

MARCH 24, 2016

LAS VEGAS SANDS CORP.

MAJESTIC REALTY CO.

Las Vegas Convention and Visitors Authority

MEMORANDUM

Date:	March 1, 2016
To:	Southern Nevada Tourism Infrastructure Committee
Via:	Rossi Ralenkotter, President/CEO
From:	Rana Lacer, CFO
Subject:	Cashman Center Financial Audit

We recently requested an independent audit of Cashman Center financial results by Piercy, Bowler, Taylor and Kern (PBTK), the Authority's independent audit firm. PBTK prepared a supplemental schedule for Cashman Center's direct expenditures and revenues for FY 2011 through FY 2015. This period reflects PBTK's relevant audit work and schedules. In compliance with audit standards, the Cashman schedule is presented as a supplement in the Annual Financial Report for the year ended June 30, 2015 (page 56). PBTK's cover letter, dated March 1, 2016, states this schedule is fairly presented in relation to the LVCVA's overall financial statements. Highlights:

1) The audit opinion and supplemental schedule is reflective of <u>direct</u> general ledger accounts, under cost centers specifically designated for Cashman.
2) PBTK's supplemental schedule verifies Cashman direct expenditures exceed revenues at an average of $4 million annually over the five-year period.
3) PBTK noted minor differences for annual direct costs from LVCVA's interim summary report dated February 19, 2016 as compared to their schedule.
4) In addition to direct costs, management *allocates* <u>*indirect*</u> costs attributable to Cashman operations for insurance, part-time and seasonal employees, and capital fund expenditures. These expenditures average in excess of $1 million annually. Personnel and insurance allocations are based on management estimates, which are consistently applied.
5) In summary, the 5-year net operating shortfall for Cashman Center, inclusive of direct and allocated indirect costs, averages over $5 million annually.

PBTK
PIERCY BOWLER
TAYLOR & KERN
Certified Public Accountants
Business Advisors

March 1, 2016

Mr. Rossi Ralenkotter, President / CEO
Las Vegas Convention and Visitors Authority
3150 Paradise Road
Las Vegas, Nevada 89109

Dear Mr. Ralenkotter:

Rana Lacer, Chief Financial Officer of LVCVA, requested that we evaluate whether financial management's schedule of expenditure over revenues related to the Cashman Center agreed to the underlying accounts included in the basic financial statements that we audited as included in LVCVA's Comprehensive Annual Financial Report for the year ended June 30, 2015. In carrying out that assignment, we identified a few minor differences that in aggregate reduced expenses in their schedule by approximately $90,000, which management corrected in the final version of the schedule.

Management then asked us to issue an opinion that the schedule was fairly stated in relation to the basic financial statements. To do that and comply with the applicable professional auditing standards, the schedule had to accompany the basic financial statements and certain other (but not all) information included in LVCVA's Comprehensive Annual Financial Report for the year ended June 30, 2015.

Accordingly, except for the subject schedule on page 56 and our opinion on page 2 that refers to the schedule, all other information included in the attached 56-page Annual Financial Report was previously included in the LVCVA's Comprehensive Annual Financial Report for the year ended June 30, 2015.

If you have any questions, please call.

Very truly yours,

L. Ralph Piercy, Engagement Principal

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LAS VEGAS CONVENTION AND VISITORS AUTHORITY

ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED JUNE 30, 2015
LAS VEGAS, CLARK COUNTY, NEVADA

LAS Vegas® CONVENTION AND VISITORS AUTHORITY

Annual Financial Report
For The Year Ended June 30, 2015

Prepared by the Finance Department
Under the supervision of
Rana D. Lacer, Senior Vice President of Finance
and
Shannon Anderegg, Senior Director of Finance & Accounting

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P B T K
PIERCY BOWLER
TAYLOR & KERN
Certified Public Accountants
Business Advisors

INDEPENDENT AUDITORS' REPORT ON FINANCIAL STATEMENTS AND SUPPLEMENTARY INFORMATION

Board of Directors
Las Vegas Convention and Visitors Authority
Las Vegas, Nevada

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Las Vegas Convention and Visitors Authority (the LVCVA) as of and for the year ended June 30, 2015, and the related notes to the financial statements, which collectively comprise the LVCVA's basic financial statements as listed in the table of contents.

An audit performed in accordance with applicable professional standards is a process designed to obtain reasonable assurance about whether the LVCVA's basic financial statements are free from material misstatement. This process involves performing procedures to obtain audit evidence about the amounts and disclosures in the basic financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the basic financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the LVCVA's preparation and fair presentation of the basic financial statements to enable the design of audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the LVCVA's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of significant accounting estimates made by management, as well as the overall presentation of the basic financial statements.

Management's Responsibility for the Financial Statements. Management is responsible for the preparation and fair presentation of the basic financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of basic financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility. Our responsibility is to express an opinion on the basic financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the basic financial statements are free from material misstatement.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion. In our opinion, the basic financial statements referred to above present fairly, in all material respects, the financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the LVCVA as of and for the year ended June 30, 2015, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters. Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, schedule of funding progress for postemployment benefits other than

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pensions, schedule of proportionate share of the net pension liability, schedule of contributions to pension plan and general fund budgetary comparison information, as listed in the table of contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information. Our audit was conducted for the purpose of forming our opinion on the financial statements that collectively comprise the LVCVA's basic financial statements. The schedule of expenditures over revenues related to Cashman Center - general fund is presented for purposes of additional analysis and is not a required part of the basic financial statements.

The other supplementary information, as listed in the table of contents, is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the other supplementary information as listed in the table of contents is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*. In accordance with *Government Auditing Standards*, we have also issued our report dated September 25, 2015, on our consideration of the LVCVA's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the LVCVA's internal control over financial reporting and compliance.

Piercy Bowler Taylor + Kern

Las Vegas, Nevada
September 25, 2015

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TAYLOR & KERN
Certified Public Accountants
Business Advisors

INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

Board of Directors
Las Vegas Convention and Visitors Authority
Las Vegas, Nevada

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Las Vegas Convention and Visitors Authority (the LVCVA) as of and for the year ended June 30, 2015, and the related notes to the financial statements, which collectively comprise the LVCVA's basic financial statements as listed in the table of contents, and have issued our report thereon dated September 25, 2015.

Internal Control over Financial Reporting. In planning and performing our audit of the basic financial statements, we considered the LVCVA's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the basic financial statements, but not for the purpose of expressing an opinion on the effectiveness of the LVCVA's internal control. Accordingly, we do not express an opinion on the effectiveness of the LVCVA's internal control.

A *deficiency* in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the LVCVA's basic financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters. As part of obtaining reasonable assurance about whether the LVCVA's basic financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of basic financial statement amounts, including whether the funds established by the LVCVA, as listed in Nevada Revised Statutes (NRS) 354.624 (5)(a)(1 through 5), complied with the express purposes required by NRS 354.6241. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under

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Government Auditing Standards.

We noted certain matters that we reported to the LVCVA in a separate letter dated September 25, 2015.

Purpose of this Report. The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the LVCVA's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the LVCVA internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Piercy Bowler Taylor + Kern

Las Vegas, Nevada
September 25, 2015

Management's Discussion and Analysis

As management of the Las Vegas Convention and Visitors Authority (the LVCVA), we offer readers of the LVCVA's financial statements this narrative overview and analysis of the LVCVA's financial performance for the fiscal year (FY) ended June 30, 2015. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in the letter of transmittal, which can be found on pages i to ix of this report.

FINANCIAL HIGHLIGHTS

- In FY 2015, total government-wide revenues grew approximately $7.7 million, which is the fifth consecutive year of growth. Room taxes and gaming fees increased $16.5 million which is a 7.3% increase over the prior year and is the highest in history. This is largely attributed to increased average daily room rate (ADR) and visitation for the destination. Charges for services decreased from the prior year due to a cyclical show rotation schedule.
- One of the most significant accomplishments during FY 2015 was the LVCVA's purchase of 26.4 acres of land for $187.5 million as part of the Las Vegas Convention Center District (LVCCD) expansion and renovation project. The real estate asset purchase of the Riviera Hotel and Casino site is contingent to the current facilities and located on the Las Vegas Strip.
- In FY 2015 the LVCVA issued its Series 2014A, Subordinate Revenue Bonds, commonly referred to as the "Line of Credit" to secure access to $275 million for costs associated with the LVCCD. The LVCVA drew $187 million to purchase of the Riviera Hotel and Casino. Subsequently, LVCVA partially refunded three bonds, including a portion of the line of credit, with $181.8 million in general obligation bonds. As a result, LVCVA's total outstanding bonds payable increased from $623.7 million in FY 2014 to $773 million in FY 2015.
- Implementation of the Governmental Accounting Standards Board (GASB) Statement No. 68 required beginning net position to be reduced by $63 million to report the LVCVA's allocated share of the net pension liability for the Public Employees' Retirement System (PERS).

In FY 2015 net position increased to ($17.5) million as compared to ($47.9) million at the end of FY 2014. The increase in the current year is primarily attributable to increased room and gaming tax revenues.

OVERVIEW OF THE FINANCIAL STATEMENTS

Comprehensive Annual Financial Report

Introductory Section	General information on the government structure, services and environment
Financial Section	Independent Auditors' Report Management's Discussion and Analysis Government-wide Financial Statements Governmental Fund Financial Statements Proprietary Fund Financial Statements Notes to the Financial Statements Required Supplementary Information Individual Fund Financial Schedules
Statistical Section	Trend data and non-financial data
Additional Report of the Independent Auditors	Independent Auditors' Report

Although the Comprehensive Annual Financial Report (CAFR) is comprised of various sections, the LVCVA's basic financial statements are presented in four components:

(1) Government-wide financial statements

(2) Governmental fund financial statements

(3) Proprietary fund financial statements

(4) Notes to the financial statements

GOVERNMENT-WIDE FINANCIAL STATEMENTS

These two financial statements are designed to provide readers with a broad overview of the LVCVA's finances in a manner similar to private-sector business.

The *statement of net position* is, in substance, the balance sheet. It includes not just current assets and liabilities and deferred inflow and outflows, but also capital assets and long-term debt. All funds are included in this statement. Over time, increases or decreases in net position may serve as a useful indicator as to whether the financial position of the LVCVA is improving or deteriorating.

The *statement of activities* is the operating statement for the government as a whole. It is based on full accrual accounting rather than the traditional modified accrual. Depreciation and amortization of capital assets is recognized as an expense, as are compensated absences, postemployment benefits other than pensions (OPEB) and an allocated share of PERS' net pension liability. The format of the statement has an unfamiliar appearance and it focuses on the net cost of a government's individual functions and is intended to answer the question "How much did it cost and how is it being paid for?"

GOVERNMENTAL FUND FINANCIAL STATEMENTS

Following the government-wide statements is a section containing the fund financial statements. A *fund* is a grouping of related accounts that is used to maintain control over specific activities. Governmental funds use the modified accrual basis of accounting, which focuses on showing how money flows into and out of funds and the balances left at year end that are available for spending. The LVCVA, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

PROPRIETARY FUND FINANCIAL STATEMENTS

Following the governmental fund financial statements is a section containing the proprietary fund financial statements. The LVCVA uses an internal service fund to accumulate monies in reserve for its OPEB liabilities. Because this service benefits governmental rather than business type functions, it is included within the governmental activities in the government-wide financial statements. Proprietary funds use the accrual basis of accounting, which focuses on the determination of net position, operating income, changes in net position, and cash flows.

NOTES TO THE FINANCIAL STATEMENTS

The notes provide additional information that is essential to a full understanding of the data in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 22 through 49 of this report.

REQUIRED SUPPLEMENTARY INFORMATION

In addition to the basic financial statements and accompanying notes, this report also presents certain *required supplementary information* found on pages 50-53, including a schedule of OPEB funding progress, LVCVA's allocated share of the PERS net pension liability, contributions to the PERS pension plan, and general fund budgeted and actual revenues, expenditures, and changes in fund balance.

CONDENSED COMPARATIVE DATA

ASSETS, DEFERRED OUTFLOWS, LIABILITIES, DEFERRED INFLOWS AND NET POSITION

The LVCVA's net position, on the government-wide basis, increased $30.4 million from the previous year. This is attributed to increased room tax revenues and moderate increases in expenses from the prior period.

CHANGES IN NET POSITION	FY 2014 (restated)	FY 2015
Net position – beginning	$ (10,982,988)	$ (47,859,652)
Revenues	292,733,038	300,395,620
Expenses	266,586,080	270,037,854
Change in net position (+/-)	26,146,958	30,357,766
Adjustment (GASB 68 - see Note 1)	(63,023,622)	-
Net position – ending (as adjusted)	$ (47,859,652)	$ (17,501,886)

Net position was $15.1 million at June 30, 2014. Implementation of GASB No. 68 required an adjustment to net position of ($63) million for the LVCVA's allocated share of the PERS net pension liability, restating net position to ($47.9) million at June 30, 2014. See Note 1 on page 26 for additional information. A large portion of net position reflects the LVCVA's investment in capital assets, less debt that was used to acquire those assets. Restricted net position is reported separately to show legal constraints from debt covenants or other restrictions that limit the LVCVA's ability to use those assets for day-to-day operations.

NET POSITION				
		June 30, 2014 (restated)		June 30, 2015
Current and other assets	$	234,222,320	$	278,937,127
Capital assets		486,206,676		661,194,403
Total assets		720,428,996		940,131,530
Deferred outflows of resources		12,932,141		12,671,406
Current and other liabilities		79,897,215		109,288,318
Long-term liabilities		701,323,574		846,457,678
Total liabilities		781,220,789		955,745,996
Deferred inflows of resources		-		14,558,826
Net position				
Net investment in capital assets		170,537,604		177,523,930
Restricted		66,143,854		68,091,853
Unrestricted		(284,541,110)		(263,117,669)
Total net position	$	(47,859,652)	$	(17,501,886)

Total net position is ($17.5) million. Capital assets increased by $175 million which was primarily a result of purchasing the Riviera Hotel and Casino on the Las Vegas Strip. The corresponding addition of long-term liabilities was only $145.1 million, mainly due to debt issued to fund capital acquisitions in FY 2015.

REVENUES

Revenues are classified as either *general* or *program*. The *general revenue* classification includes all room taxes and gaming fees and investment income because they are not related to charges for program services. The LVCVA's primary source of revenue is from room taxes, which are classified as general revenue.

All revenues that do not qualify as general revenues are reported as *program revenues*.

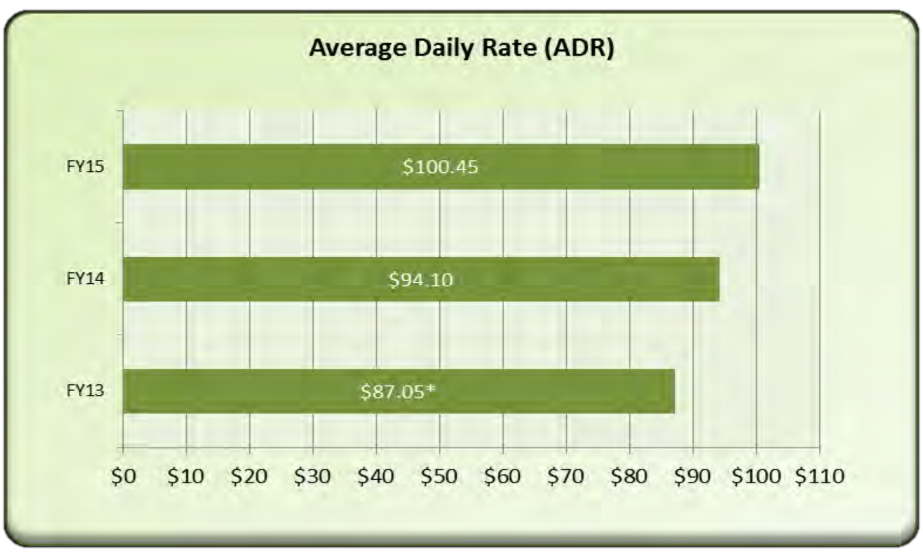
Program revenues are those directly generated by a function or activity of the government. For example, the cost of operating and maintaining the Las Vegas Convention Center (LVCC) and Cashman Center (CC) is reported in the Operations function. Revenues are generated as a direct result of the operation of those facilities in the form of building rental charges, concession sales, parking fees and other charges to users of the facilities.

Total revenues for FY 2015 amounted to $300.4 million, a 2.6% increase over FY 2014.

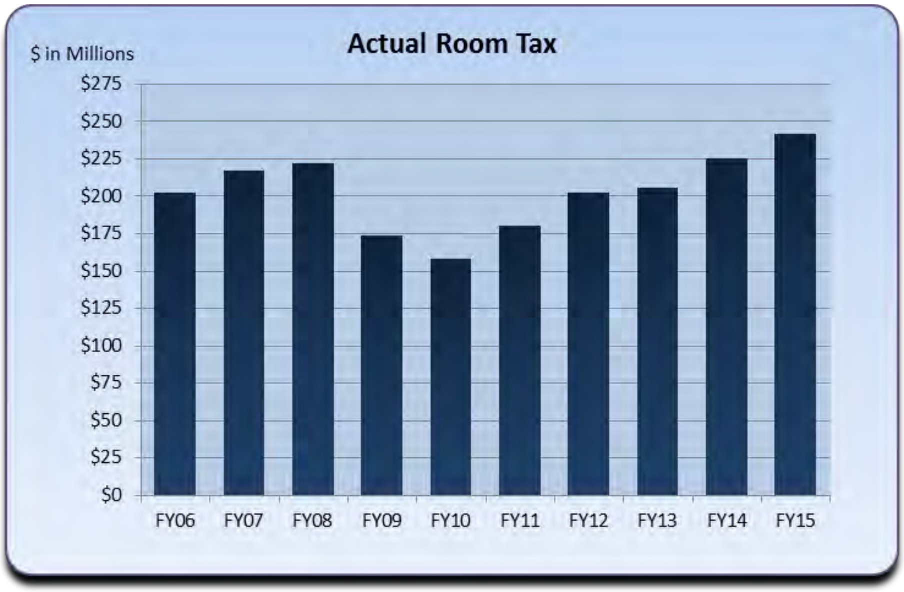
	FY 2014	FY 2015
General revenues		
Room taxes and gaming fees	$ 225,381,804	$ 241,853,713
Interest and investment earnings	623,522	630,303
Miscellaneous	796,149	676,657
Total general revenue	226,801,475	243,160,673
Program revenues		
Operations	58,975,878	51,140,971
Marketing	2,203,419	1,347,798
General government	4,752,266	4,746,178
Total program revenues	65,931,563	57,234,947
Total revenues	$ 292,733,038	$ 300,395,620

FY 2015 represented the fifth consecutive year of growth on a year-over-year basis for room tax revenues. After a substantial 9.8% increase in FY 2014, room tax revenues in FY 2015 continued to show positive growth of 7.3% over the prior period. Room tax is based on the number of lodging rooms available, occupancy rate and the average daily taxable room rental rate (ADR). Room inventory in Clark County was relatively flat during the fiscal year. Average occupancy increased to 85.8% from 86.4% in FY 2014. The increase is attributable to the increase in visitor volume. In calendar year 2014, the greater Las Vegas area occupancy rate exceeded the national average by 22 percentage points.

The most volatile factor in calculating room taxes is ADR. With hotel rooms being booked over the internet, price fluctuations are common with hotels having the ability to respond quickly to occupancy trends. ADR has since shown consistent improvement since the end of the recession, up 15.4% over FY 2013. In FY 2015 ADR was $100.45, a 6.7% increase over the $94.10 result in FY 2014. Government-wide room taxes and gaming fees provided $241.9 million during FY 2015, an increase of $16.5 million from the previous fiscal year's total of $225.4 million. LVCVA expects a modest increase in ADR to continue as the global economy improves.



* Updated prior year for additional accuracy.



Clark County (the County) and the incorporated cities within the County levy room tax on all transient lodging establishments. The rate of tax levied varies from 12% to 13% for resort hotels and from 10% to 13% on other lodging facilities. In general, the tax is distributed as follows:

2% - 6%	LVCVA
1 5/8%	Clark County School District
0% - 2%	Collecting government – general fund
1%	Clark County – transportation
3/8%	State of Nevada – promotion of tourism
2% - 3%	State of Nevada – education and other state programs

The LVCVA received $241.9 million in room taxes and gaming fees, from the collecting entities. The majority was generated in Clark County and totaled $223 million (92.2%). The City of Las Vegas was the second largest collector of room taxes and gaming fees, at $12.1 million (5.0%). The other incorporated cities of North Las Vegas, Henderson, Boulder City and Mesquite combined to provide the remaining 2.8%.

FACILITY OPERATIONS	FY 2014	FY 2015
Charges for services	$ 58,617,620	$ 51,055,290
Expense	65,679,224	60,243,766
Net expense	$ (7,061,604)	$ (9,188,476)

In FY 2015, facility charges for services reflected a decrease of 12.9% from the prior year, due primarily to a cyclical rotation of shows in the LVCC; specifically CONEXPO-CON/AGG, a large construction trade show held every three years was held in FY 2014. Total expenses to operate the facilities were $60.2 million in FY 2015, including depreciation and amortization. The majority of the decrease in expense from the prior year is related to the repositioning of multiple cost centers, from Operations to Marketing which totaled approximately $4.1 million.

EXPENSES

Total government-wide expenses by function were as follows:

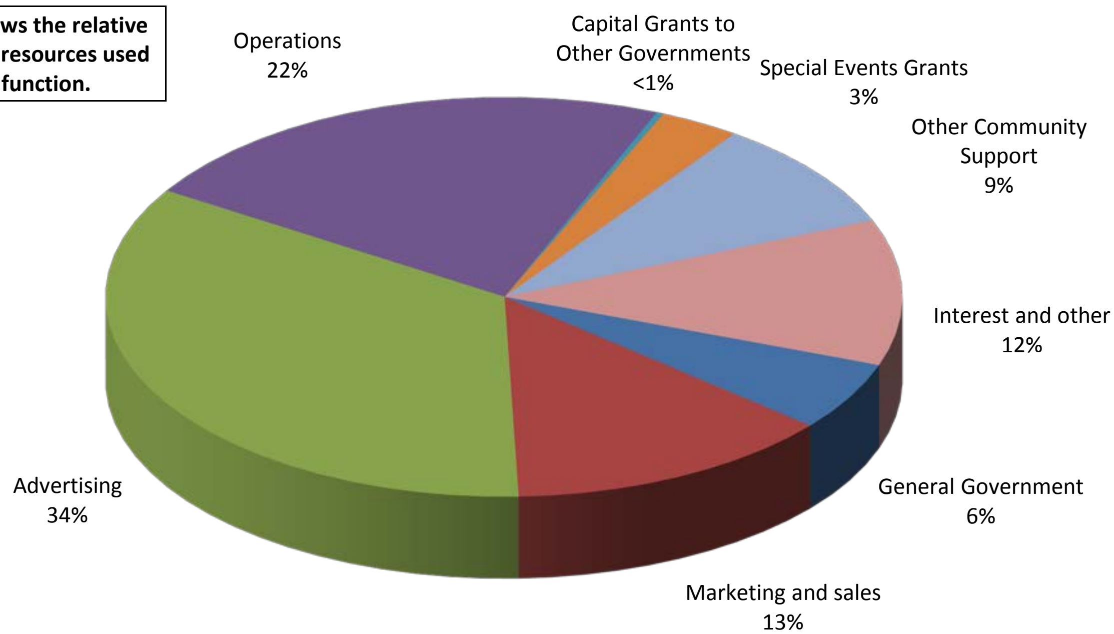
	FY 2014	FY 2015
General government	$ 15,015,841	$ 15,074,906
Marketing:		
Advertising	92,470,992	93,148,972
Marketing and sales	29,014,920	35,909,452
Special events grants	8,570,890	8,765,599
Operations	65,679,224	60,243,766
Community support and grants:		
Capital grants to other governments	402,017	785,468
Other community support	22,538,180	24,185,372
Interest and other	32,894,016	31,924,319
	$ 266,586,080	$ 270,037,854

In FY 2015, expenditures increased moderately at 1.3%. Other community support increased the most at $1.6 million or 7.3% as compared to FY 2014. Community Support includes a fee returned to the collecting government entities of room taxes and gaming fees. It equals 10% of the total room taxes and gaming fees collected in the County; and therefore, fluctuates in alignment with the related room tax revenue changes.

As noted previously, certain cost centers moved during FY 2015 from Operations to Marketing. Additional increases in these divisions as a whole were primarily due to personnel salary and benefit programs as well as increased funding for advertising programs to support the LVCVA mission.

Expenses in capital grants to other governments is the result of a legislative mandate requiring the LVCVA to contribute funds to the Nevada Department of Transportation (NDOT) for critical transportation projects essential to providing access to the recreational and tourism facilities in Clark County (the County). Use each year is based on NDOT progress.

This chart shows the relative proportion of resources used by each function.



OVERALL FINANCIAL POSITION

FY 2015 was our fifth consecutive year of recovery from the recession. The LVCVA is focused on planning and preliminary stages of the LVCCD expansion and renovation project to ensure the continued long-term success of the LVCVA and Las Vegas as a destination. The LVCVA remains vigilant to maintain fiscal sustainability through conservative budgeting and continuous monitoring of actual financial results and economic trends at the local, state and national level. This provides the LVCVA the ability to react swiftly to changing conditions that could impact revenues and/or operating activities. The LVCVA is dedicated to the preservation of adequate fund balances to meet operating cash flow requirements and to satisfy debt service obligations.

FUND ANALYSIS

The fund balance in the general fund decreased slightly while the capital projects fund increased significantly during FY 2015.

	General Fund	Capital Projects Fund
Fund balance - beginning	$ 34,720,321	$ 87,298,289
Fund balance - ending	33,587,181	102,557,696
(Decrease)/Increase in fund balance	$ (1,133,140)	$ 15,259,407
Percent change	-3.3%	17.5%

The original budget for FY 2015 called for a decrease in the general fund balance of $21.1 million; budgeting ending fund to 4.2% of operating expenditures. The actual FY 2015 decrease was only $1.1 million. Revenues exceeded budget by $11 million and expenditures were lower by $6.8 million due to conservative budgeting. These items coupled with a reduction in transfers out make up the $20 million variance between actual and budgeted general fund balance.

The capital projects fund ending fund balance increased by $15.3 million compared to the budgeted decrease of $7.9 million. The variance of $23.2 million is partially due to NDOT funds that were not used due to delays in timing of their construction project. These amounts are expected to be used in the next fiscal year. In addition, minimal LVCCD funds were expended during the fiscal year for planning activities. The majority of the LVCCD funds will be used once the design and engineering stage progresses.

GENERAL FUND BUDGETARY HIGHLIGHTS

The FY 2015 budget was originally developed forecasting 4.0% growth in room tax revenues over the original FY 2014 budget. During the year, actual room tax revenues grew by 7.3%, the highest collection in our history. As a result of higher than anticipated beginning fund balance and strong revenue results, the budget was augmented in November 2014 to allocate funds to operating needs; primarily for marketing and advertising, as it is directly tied to our core mission. Augmentation also allocated transfers out for capital needs including the LVCCD and reserves, sustaining our commitment to preserving the LVCVA's financial integrity.

The tables below summarize the changes in both revenues and expenditures budget.

GENERAL FUND CHANGES IN BUDGETED REVENUES AND TRANSFERS	Original Budget	Revisions	Final Budget
Room taxes and gaming fees	$ 223,550,000	$ 8,000,000	$ 231,550,000
Charges for service	49,503,400	1,000,000	50,503,400
Interest and other	188,500	-	188,500
Transfers in	81,500	-	81,500
Proceeds from sale of assets	30,000	-	30,000

GENERAL FUND CHANGES IN BUDGETED EXPENDITURES AND TRANSFERS	Original Budget	Revisions	Final Budget
General government	$ 15,004,800	$ 1,737,600	$ 16,742,400
Marketing:			
Advertising	91,000,000	3,100,000	94,100,000
Marketing and sales	28,780,000	7,740,300	36,520,300
Special events grants	9,030,000	(80,000)	8,950,000
Operations	45,366,800	(4,029,000)	41,337,800
Community support:			
Other community support	25,633,900	(1,978,900)	23,655,000
Transfers out	61,673,912	20,500,000	82,173,912

Actual general fund revenues, transfers in and proceeds from the sale of fixed assets totaled $293.4 million which is $11.0 million higher than the final budget. Total actual general fund expenditures and transfers out totaled $294.5 million, about $18.0 million more than the original budget, but lower than the final budget by $9.0 million. These results are largely due to conservative budgeting practices, which are founded in the strategy of budgeting revenues cautiously while budgeting expenditures aggressively.

CAPITAL ASSETS

Capital assets additions totaled $194.8 million, which includes $188.2 million in land acquisitions. The Riviera Hotel & Casino on the Las Vegas Strip was purchased in February 2015 for $187.5 million. The LVCVA's investment in capital assets as of June 30, 2015 totaled $661.2 million (net of accumulated depreciation and amortization), which is an increase of 36% from FY 2014. Depreciation and amortization expense for the year was approximately $17.1 million. More detailed information on capital assets can be found in Note 5 on page 31.

CAPITAL ASSETS (net of depreciation)	June 30, 2014	June 30, 2015
Land	$ 207,930,856	$ 396,102,617
Intangibles	100,000	100,000
Construction in progress	2,365,549	3,036,147
Buildings	248,767,498	238,148,956
Improvements	22,328,748	19,804,747
Furniture and equipment	4,714,025	4,001,936
	$ 486,206,676	$ 661,194,403

LONG-TERM DEBT

At June 30, 2015, the LVCVA had total outstanding bonded debt of $773 million. Of this amount, $563.1 million was general obligation bonds additionally secured by specified revenue sources and $209.8 million was revenue bonds. Furthermore, of the total outstanding debt the LVCVA is reporting, $274.4 million was for the purpose of providing funds to NDOT for transportation projects within the Southern Nevada resort corridor in compliance with a 2007 legislative mandate.

In FY 2015 the LVCVA issued its Series 2014A, Subordinate Revenue Bonds, commonly referred to as the "Line of Credit" to secure access to $275 million for costs associated with the LVCCD. The LVCVA drew $187 million to purchase of the Riviera Hotel and Casino. Subsequently, LVCVA partially refunded three bonds, including a portion of the line of credit, with $181.8 million in general obligation bonds. At June 30, 3015 approximately $70.2 million remain outstanding on the line of credit and $88 million is available to draw. You can find more detailed information on long-term debt in Note 8 on pages 33 to 37.

	General Obligation Bonds	Revenue Bonds	Total
	(In Thousands)		
Principal balance - beginning	$ 405,445	$ 218,280	$ 623,725
Principal payments	(24,090)	(195,495)	(219,585)
New Issuances	181,805	187,000	368,805
Principal balance - ending	$ 563,160	$ 209,785	$ 772,945

INTERNAL SERVICE FUND

In FY 2013, the LVCVA established an internal service fund to accumulate resources to be held in a reserve to offset the liability for postemployment benefits. Transfers from the general fund to the OPEB reserve fund are incorporated into the annual budget process based on the current revenue streams and the goal of fully funding the outstanding liability. The target for fully funding is 10 years from the establishment of the OPEB reserve fund. Transfers of $3 million were made in FY 2013 and FY 2014, and $3.5 million was transferred in FY 2015.

ADDITIONAL FINANCIAL INFORMATION

The LVCVA's financial statements are designed to present users (citizens, taxpayers, customers and investors) with a general overview of the LVCVA's finances and to demonstrate accountability. If you have any questions about the report or need additional financial information, please contact:

LVCVA Senior Vice President of Finance
3150 Paradise Road
Las Vegas, NV 89109
(702) 892-2990
Or, please visit our website at:
www.lvcva.com/who-we-are/funding-and-finance/

BASIC FINANCIAL STATEMENTS

Government-Wide

LAS VEGAS CONVENTION AND VISITORS AUTHORITY

Statement of Net Position - Governmental Activities

June 30, 2015

Assets:		
Cash, cash equivalents and investments	$	197,439,357
Receivables:		
Room taxes and gaming fees		44,577,076
Accounts		7,254,786
Interest		70,048
Prepaid and other items		4,380,926
Inventory		449,710
Purchase deposit		24,765,224
Capital and intangible assets,		
Non-depreciable		399,238,764
Depreciable, net of accumulated depreciation and amortization		261,955,639
Total assets		940,131,530
Deferred outflows of resources:		
Deferred charges on refunding		3,545,147
Deferred resources related to pension		9,126,259
Total deferred outflows of resources		12,671,406
Liabilities:		
Accounts payable		23,070,446
Accrued payroll and related items		3,106,398
Due to other governments		8,877,869
Deposits		180,830
Unearned revenue		254,001
Interest payable		16,198,103
Other		25,365,225
Noncurrent liabilities:		
Due within one year:		
Capital lease obligation		114,439
Bonds payable		27,665,000
Compensated absences payable		4,456,007
Due in more than one year:		
Capital lease obligation		5,698
Bonds payable		745,280,000
Unamortized bond premiums and discounts		17,629,698
Compensated absences payable		1,904,011
Post-employment benefits other than pensions payable		25,186,055
Net pension liability		56,452,216
Total liabilities		955,745,996
Deferred inflows of resources:		
Deferred obligation related to pension		14,558,826
Net position:		
Net investment in capital assets		177,523,930
Restricted for:		
Capital grants to other governments		18,486,568
Debt service		49,605,285
Unrestricted:		
Related to non-capital debt (See Note 3)		(274,069,633)
Related to capital projects		84,071,128
Other		(73,119,164)
Total net position	$	(17,501,886)

The notes to the financial statements are an integral part of this statement

Function/Program	Expenses	Program Revenues: Charges for Services	Program Revenues: Capital Grants and Contributions	Net (Expenses) Revenues and Changes in Net Position
Governmental activities:				
General government	$ 15,074,906	$ -	$ 4,746,178	$ (10,328,728)
Marketing:				
Advertising	93,148,972	-	-	(93,148,972)
Marketing and sales	35,909,452	1,347,798	-	(34,561,654)
Special events grants	8,765,599	-	-	(8,765,599)
Operations	60,243,766	51,055,290	85,681	(9,102,795)
Community support and grants:				
Capital grants to other governments	785,468	-	-	(785,468)
Other community support	24,185,372	-	-	(24,185,372)
Interest on long-term debt	30,719,411	-	-	(30,719,411)
Bond issuance costs	1,204,908	-	-	(1,204,908)
Total governmental activities	$ 270,037,854	$ 52,403,088	$ 4,831,859	(212,802,907)
General revenues:				
Room taxes and gaming fees				241,853,713
Interest and investment earnings				630,303
Miscellaneous				676,657
Total general revenues				243,160,673
Change in net position				30,357,766
Net position - beginning (as previously reported)				15,163,970
Adjustment (Note 1)				(63,023,622)
Net position - beginning (as adjusted)				(47,859,652)
Net position - ending				$ (17,501,886)

BASIC FINANCIAL STATEMENTS

Governmental Funds

	General Fund	Capital Projects Fund	Debt Service Fund	Total Governmental Funds
Assets:				
Cash, cash equivalents and investments	$ 30,485,138	$ 103,121,924	$ 54,267,573	$ 187,874,635
Receivables:				
Room taxes and gaming fees	44,577,076	-	-	44,577,076
Accounts	6,117,773	1,137,013	-	7,254,786
Interest	151	27,476	21,585	49,212
Due from other funds	78,362	-	-	78,362
Inventory	449,710	-	-	449,710
Prepaid and other items	4,323,303	57,623	-	4,380,926
Purchase deposit	-	24,765,224	-	24,765,224
Total assets	$ 86,031,513	$ 129,109,260	$ 54,289,158	$ 269,429,931
Liabilities:				
Accounts payable	$ 22,421,119	$ 649,327	$ -	$ 23,070,446
Accrued payroll and related items	3,106,398	-	-	3,106,398
Due to other governments	6,921,856	-	-	6,921,856
Due to other funds	-	-	78,362	78,362
Unearned revenue	254,001	-	-	254,001
Customer deposits	180,830	-	-	180,830
Other	-	24,765,224	-	24,765,224
Total liabilities	32,884,204	25,414,551	78,362	58,377,117
Deferred inflows of resources:				
Unavailable revenue	19,560,128	1,137,013	-	20,697,141
Fund balances:				
Nonspendable	4,773,013	57,623	-	4,830,636
Restricted	6,932,104	47,893,151	49,605,285	104,430,540
Committed	1,028,925	52,704,493	4,605,510	58,338,928
Assigned	15,889,000	1,902,429	-	17,791,429
Unassigned	4,964,139	-	-	4,964,139
Total fund balances	33,587,181	102,557,696	54,210,795	190,355,672
Total liabilities, deferred inflows of resources, and fund balances	$ 86,031,513	$ 129,109,260	$ 54,289,157	

Amounts reported for governmental activities in the statement of net position are different because:	
Capital and intangible assets used in the governmental activities are not current financial resources; and therefore, are not reported in the funds (See Note 2)	661,194,403
Certain assets are not available to pay for current period expenditures; and therefore, are not recorded or are deferred in the funds:	
Room taxes and gaming fees - earned but unavailable	19,560,128
Other community support	(1,956,013)
Other revenue - earned but unavailable	1,137,013
Deferred resources related to pension	9,126,259
The internal service fund is used by management to fund the future other post-employment benefit costs. The net position of the internal service fund is reported with governmental activities.	9,585,558
Certain liabilities are not due and payable in the current period; and therefore, are not reported in the funds:	
Accrued compensated absences	(6,360,018)
Post-employment benefits other than pensions	(25,186,055)
Net effect of difference in the treatment of long-term debt and related items (See Note 2)	(803,347,791)
Accrued pollution remediation	(600,000)
Net pension liability	(56,452,216)
Deferred obligation related to pension	(14,558,826)
Net position, governmental activities	$ (17,501,886)

Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds

For the Year Ended June 30, 2015

	General Fund	Capital Projects Fund	Debt Service Fund	Total Governmental Funds
Revenues:				
Room taxes and gaming fees	$ 241,045,645	$ -	$ -	$ 241,045,645
Charges for services	51,968,374	-	-	51,968,374
Interest and investment earnings	188,829	213,192	138,329	540,350
Federal grant subsidy	-	-	4,746,178	4,746,178
Miscellaneous	4,527	672,130	-	676,657
Total revenues	293,207,375	885,322	4,884,507	298,977,204
Expenditures:				
Current:				
General government	14,322,106	-	-	14,322,106
Marketing:				
Advertising	93,148,972	-	-	93,148,972
Marketing and sales	34,725,317	-	-	34,725,317
Special events grants	8,765,599	-	-	8,765,599
Operations	39,453,977	-	-	39,453,977
Community support and grants:				
Capital grants to other governments	-	785,468	-	785,468
Other community support	24,104,565	-	-	24,104,565
Capital outlay:				
Capitalized assets	-	192,515,195	-	192,515,195
Non-capitalized assets	-	1,304,615	-	1,304,615
Debt service:				
Principal	-	108,770	24,800,000	24,908,770
Interest	-	11,867	32,754,480	32,766,347
Principal retirement	-	-	116,800,000	116,800,000
Payment to refunded debt escrow agent	-	-	66,009,105	66,009,105
Debt issuance costs	-	-	1,204,908	1,204,908
Total expenditures	214,520,536	194,725,915	241,568,493	650,814,944
Excess (deficiency) of revenues over (under) expenditures	78,686,839	(193,840,593)	(236,683,986)	(351,837,740)
Other financing sources (uses):				
Transfers in	132,853	21,500,000	54,988,725	76,621,578
Transfers out	(79,988,725)	-	(132,853)	(80,121,578)
Proceeds from the sale of assets	35,893	600,000	-	635,893
Issuance of debt	-	187,000,000	181,805,000	368,805,000
Premium on debt issuance	-	-	16,018,110	16,018,110
Payment to refunded debt escrow agent	-	-	(14,931,332)	(14,931,332)
Total other financing sources (uses)	(79,819,979)	209,100,000	237,747,650	367,027,671
Net change in fund balances	(1,133,140)	15,259,407	1,063,664	15,189,931
Fund balances - beginning	34,720,321	87,298,289	53,147,131	175,165,741
Fund balances - ending	$ 33,587,181	$ 102,557,696	$ 54,210,795	$ 190,355,672

The notes to the financial statements are an integral part of this statement.

Net change in fund balances - total governmental funds		$ 15,189,931
Amounts reported for governmental activities in the statement of activities are different because:		
Governmental funds report capital outlays as expenditures and do not report donated capital assets. However, in the statement of net position, assets with an initial, individual cost that meets LVCVA's capitalization threshold are capitalized and the cost is allocated over their estimated useful lives and reported as depreciation and amortization expense.		
Capital outlays (asset additions)	$ 192,515,195	
Depreciation and amortization expense, including disposed assets	(17,613,148)	
Donated capital assets	85,681	174,987,728
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.		1,242,782
The issuance of long-term debt (*i.e.* , bonds and capital leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of the governmental funds. Also, governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred in the statement of net position and amortized over the term of the related debt.		
Issuance of debt	(368,805,000)	
Payment to refunded debt escrow agent	80,940,437	
Premium on debt issuance	(16,018,110)	
Amortization of debt premiums and discounts	6,025,202	
Amortization of refunding charges	(4,138,031)	
Accrued interest expense	159,766	
Repayment/retirement of debt principal	141,708,770	(160,126,966)
Some expenses reported in the statement of activities do not require the use of current financial resources; and therefore, are not reported as expenditures in the governmental funds.		
Compensated absences	(1,256,800)	
Postemployment benefits other than pensions	(3,726,894)	
Net pension liability	14,775,806	
Deferred resources related to pension	921,859	
Deferred obligation related to pension	(14,558,826)	
Pollution remediation	(600,000)	
Grants and special events - payable to other governments	(80,807)	(4,525,662)
The internal service fund is used by management to fund future other post-employment benefit costs. The change in net position of the internal service fund is reported with governmental activities.		3,589,953
Change in net position of governmental activities		$ 30,357,766

BASIC FINANCIAL STATEMENTS

Proprietary Fund

	Governmental Activities
	Internal Service Fund
Assets:	
Current assets:	
Cash and cash equivalents	$ 149,373
Investments	9,415,349
Interest receivable	20,836
Total assets	9,585,558
Net position:	
Unrestricted	$ 9,585,558

The notes to the financial statements are an integral part of this statement.

LAS VEGAS CONVENTION AND VISITORS AUTHORITY
Statement of Revenues, Expenses and Change in Net Position
Proprietary Fund
For the Year Ended June 30, 2015

		Governmental Activities
		Internal Service Fund
Nonoperating revenues (expenses):		
Interest and investment earnings	$	89,953
Income before transfers		89,953
Transfers in		3,500,000
Change in net position		3,589,953
Net position - beginning		5,995,605
Net position - ending	$	9,585,558

The notes to the financial statements are an integral part of this statement.

	Governmental Activities
	Internal Service Fund
Cash flows from noncapital financing activities:	
Transfers in	$ 3,500,000
Cash flows from investing activities	
Purchase of investments	(5,998,720)
Proceeds on called/matured investments	2,500,000
Interest on investments	68,276
Net cash used in investing activities	(3,430,444)
Net increase in cash and cash equivalents	69,556
Cash and cash equivalents, beginning	79,817
Cash and cash equivalents, ending	$ 149,373
Noncash investing and non-capital financing activities	
Interest on investments	$ 618
Unrealized gain/(loss)	13,540

BASIC FINANCIAL STATEMENTS

Notes to the Financial Statements

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

The financial statements of the Las Vegas Convention and Visitors Authority (the LVCVA) have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP). The Governmental Accounting Standards Board (GASB) is the primary source of governmental accounting and financial reporting principles. The LVCVA's significant accounting policies are summarized below, along with a discussion of some of the practices that are unique to governments.

REPORTING ENTITY

The LVCVA was created in 1955 under the provisions of Nevada Revised Statutes (NRS) 244A as the Clark County Fair and Recreation Board. This NRS governs the powers and duties of the Board of Directors (the Board), including the number, selection, and term of its members. The LVCVA is subject to State of Nevada (the State or Nevada) laws governing local governments, including the Local Government Budget and Finance Act. The Board is responsible for establishing policy for overall operations. The LVCVA President serves as chief executive officer. The LVCVA does not include any component units in its financial statements and is not included as a component unit in any other entity's financial statements.

The LVCVA is mandated to establish, acquire and improve recreation and convention facilities and to advertise and promote the recreation facilities located within Clark County (the County). In addition, the LVCVA may solicit and promote conventions and tourism to enhance the general economy of the area.

The Las Vegas Convention Center District (LVCCD) expansion and renovation project was developed and conceptually approved by the board in fiscal year (FY) 2013. Project execution will occur in phases and may take nearly a decade to complete, with an estimated total expense of $2.3 billion dollars. Completion of the entire scope of the proposed project is dependent on identifying sufficient revenue streams to support the anticipated debt requirements which would require stakeholder support and legislative approval.

GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

Government-wide financial statements display information about the reporting government as a whole. In order to present an accurate financial picture, the effects of interfund activity have been eliminated. The purpose of the statement of activities is to allow financial statement users to determine operating results of the LVCVA in its entirety over a period of time. It demonstrates the degree to which the direct expenses are offset by program revenues.

Direct expenses are those that are clearly identifiable with a specific function. *Program revenues* include charges to customers who purchase, use, or directly benefit from goods, services, or privileges provided by a given function. The LVCVA's program revenues include, but are not limited to, charges to customers for facility rentals, commissions from concession stand sales, parking revenue, and commissions from electrical, plumbing and telecommunication services.

Room taxes and gaming fees and other items not included among program revenues are reported instead as general revenues.

The statement of net position is intended to present a snapshot of the financial position of the LVCVA as a whole as of year end. It displays the difference between assets and deferred outflows and liabilities and deferred inflows as net position.

Governmental fund financial statements are used to account for essentially the same functions reported in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on *near-term inflows and outflows of spendable resources*, as well as on *balances of spendable resources* available at the end of the FY.

A fund is an independent fiscal and accounting entity with a self-balancing set of accounts. Fund accounting segregates operations according to their intended purpose and is used to aid management in demonstrating compliance with finance-related legal and contractual provisions. The minimum number of funds is maintained consistent with legal and managerial requirements.

Governmental fund types are used to account for general governmental activities. The operating fund of the LVCVA is the general fund. The capital projects fund is used to account for the acquisition of capital assets, the construction of new facilities and improvement of the facilities. Servicing of long-term debt obligations is recorded in the debt service fund.

Proprietary funds distinguish *operating* revenues and expenses from *nonoperating* items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. All revenue and expenses not meeting this definition are reported as nonoperating revenue and expenses. Internal service funds may be used to account for all or a portion of a government's risk financing activities. The LVCVA's only proprietary fund is an internal service fund. Established in FY 2013, the fund is to account for resources held for future payment of post-employment benefits through transfers from the general fund.

MEASUREMENT FOCUS, BASIS OF ACCOUNTING AND FINANCIAL STATEMENT PRESENTATION

Measurement focus is a term used to describe which transactions are recorded within the various financial statements. Basis of accounting refers to when transactions are recorded regardless of measurement focus.

Government-wide financial statements are presented on a *full* accrual basis of accounting with an *economic resource measurement focus*, as are the proprietary (internal service fund) financial statements. An economic resource measurement focus concentrates on net position. All transactions and events that affect the total economic resources (net position) during the period are reported. Under the full accrual basis of accounting, revenues are recorded when earned and liabilities are recorded at the time the obligations are incurred, regardless of the timing of related cash inflows and outflows.

Governmental fund financial statements are presented using a *modified* accrual basis and the *current financial resources measurement focus.* Earned revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. Liabilities are generally recorded when an obligation is incurred. However, debt service expenditures and certain other long-term obligation expenditures are recorded only when payment is due.

Since the governmental fund financial statements are presented on a different measurement focus and basis of accounting than the government-wide financial statements, reconciliations are necessary to explain the adjustments needed to transform the fund based financial statements into the government-wide presentation.

The financial transactions of the LVCVA are recorded in individual funds. The operations of each fund are accounted for with a separate set of self-balancing accounts comprised of assets and deferred outflows, liabilities and deferred inflows, fund balance, revenues, expenditures and other funding sources (uses).

The GASB Statement No. 34 model sets forth minimum criteria (percentage of the assets and deferred outflows, liabilities and deferred inflows, revenues or expenditures of either the individual fund category or the combined fund categories) for the determination of major funds for financial reporting purposes. This statement also gives governments the discretion to include as major funds those having particular importance.

The LVCVA reports the following major governmental funds:

General Fund

- Used as the LVCVA's primary operating fund, it accounts for resources traditionally associated with governments that are not required to be accounted for in another fund. The most significant sources of revenue are room taxes and gaming fees, which are assessed on hotels and motels in Clark County. Facility rentals, concession commissions, and contractor commissions also provide a large amount of general fund revenue. The primary expenditures are for advertising, marketing and operation of the facilities.

Capital Projects Fund

- Accounts for capital expenditures for furniture, equipment, and improvements or additions to land, and buildings financed by general government resources.

- Accounts for capital grants to other governments, which are for the express purpose of capital construction activities by the other government.

Debt Service Fund

- Used by the LVCVA to accumulate monies for the payment of principal and interest on the following long-term debt:

4/05 Revenue Bonds	5/07 General Obligation Refunding
12/07 Revenue Bonds	7/08 (NDOT) General Obligation Bonds
2010 A (NDOT/BABs) General Obligation Bonds	2010B (NDOT) General Obligation/Refunding Bonds
2010 C (NDOT/BABs) General Obligation Bonds	2010D (NDOT) General Obligation Bonds
2010E Refunding Revenue Bonds	2012 General Obligation Bonds
2014 General Obligation Bonds	2014A Subordinate Revenue Bonds/Line of Credit
2015 General Obligation/Refunding Bonds	

The LVCVA reports the following proprietary fund:

Internal Service Fund

- Used by the LVCVA to accumulate monies in reserve for other post-employment benefits liabilities.

DEPOSITS AND INVESTMENTS

Cash and cash equivalents are defined as demand deposit accounts, petty cash, money market demand accounts and certificates of deposits with original maturities of three months or less.

The LVCVA’s investment policy authorizes investments in obligations of the U.S. Treasury, U.S. Agencies, commercial paper, banker’s acceptances, money market funds, repurchase agreements (REPOs) and the Nevada State Treasurer’s Local Government Investment Pool (LGIP). The holding period of the LVCVA’s investments does not exceed five years. The LVCVA’s policy also governs the limitations as to the percentage of each type of investment held, its term to maturity, and allocation of investments in two to five year maturities.

The LVCVA’s investments are generally reported at fair value, as determined by quoted market price. However, the LVCVA reports investments at cost if they have a remaining maturity at the time of purchase of one year or less. The LVCVA includes in investment income the change in fair value along with any realized gains or losses.

RECEIVABLES AND PAYABLES

Transactions between funds that are outstanding at year end are reported as “due to/from other funds” within the fund financials statements. For government-wide and proprietary fund financial statements, receivables and related revenues are recognized as soon as they are earned, whereas for governmental fund financial statement purposes, receivables and related revenues are recognized when earned and are both measurable and available. Room taxes and gaming fees receivable, the LVCVA’s major revenue source, are considered measurable and available when they can be collected within 30 days after year end. On governmental financial statements, room taxes and gaming fees received more than 30 days after year end are now classified as deferred inflows, per GASB Statement No. 65.

Receivables are reported at gross value and, if appropriate, are reduced by any significant amounts expected to be uncollectible.

PREPAID ITEMS AND INVENTORY

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items. In the fund financial statements, prepaid items are recorded as expenditures when consumed rather than when purchased.

Inventory is primarily comprised of promotional items and is recorded at cost using the first-in/first-out (FIFO) method. The cost of such inventories is recorded as expenditures when consumed rather than when purchased.

CAPITAL ASSETS

Capital assets, which include property, equipment (including some under capital leases), and intangibles, are accounted for in the government-wide financial statements. All purchased capital assets are valued at historical cost net of impairment adjustments, if any. Donated assets are valued at their estimated fair value on the date of gift. Additions or improvements and other capital outlays that significantly extend the useful life of an asset or that significantly enhance the functionality of an asset are capitalized.

Costs incurred for normal repairs and maintenance that do not add to the functionality of assets or materially extend asset lives are expensed as incurred.

The LVCVA classifies an item as a capital asset that has an estimated useful life of at least one year and meets the cost thresholds of the following:

- Assets with a unit acquisition cost greater than $10,000.
- Bulk purchases with a total combined cost greater than $25,000.

Depreciation and amortization on exhaustible assets and intangibles is recorded in the statement of activities, while accumulated depreciation and amortization is reflected in the statement of net position. Depreciation and amortization is computed on a straight-line basis over the following estimated useful lives and for buildings and land improvement using a half-year convention:

ASSET DESCRIPTION	USEFUL LIFE (YEARS)
Buildings	50
Major land improvements, leasehold improvements and building improvements. Leasehold improvements are limited to the shorter of useful life or lease term.	10
Furniture/fixtures, and the following equipment items: baseball equipment, carts, communication equipment (mobile), forklifts, heavy equipment, set-up equipment, power tools, risers, tables, telephones, test equipment, turf equipment, typewriters, vacuums, and word processing equipment.	10
Equipment items in the following categories: camera equipment, cleaning equipment, copiers, fax machines, MATV equipment, mowers, refuse equipment, mobile sound equipment, tools, turnstiles, vehicles, and other equipment.	5-15
Computers, printers, and software	3

Intangibles assets with indefinite lives are not amortized, but rather are evaluated annually for continued compliance with applicable requirements.

Gains or losses from sales or retirements of capital assets are included in the statement of activities.

COMPENSATED ABSENCES

Personal time off (PTO) is a benefit that provides employees greater flexibility in the use of time off with pay. Employees who do not complete the introductory period of two months forfeit all accrued PTO and are not entitled to pay-out on accrued PTO. Upon separation from the LVCVA, regular employees having less than three years of service are entitled to receive 60% of their unused PTO balance. Employees having in excess of three years of service are entitled to payment of a maximum of 300 hours (500 hours for non-bargaining/non-management employees) at 100% with the remaining PTO balance paid on an increasing percentage based on years of service to the LVCVA. Management and executive employees having less than two years of service are entitled to payment for their unused PTO balance at a rate of 60% and are entitled to 100% for more than two years of service. For management and executive non-bargaining employees hired on or after July 1, 2007, PTO will accrue and can be carried over from fiscal year to fiscal year to a maximum of 1,040 hours. Any amount of PTO over 1,040 hours as of the last pay period ending in June each year is paid to the employee on the first pay period of the new fiscal year at the employee's hourly pay rate as of June 30.

EMPLOYEE HEALTH BENEFITS

The LVCVA provides fully paid health insurance benefits to its full-time employees. The LVCVA participates in an interlocal agreement with Clark County and various other local entities in order to obtain the most cost effective monthly rates. The programs available to active employees are the Clark County Self-Funded Group Medical and Dental Benefits Plan (CCSF), a cost-sharing multiple-employer plan, and Health Plan of Nevada (HPN), a fully-insured health maintenance organization

(HMO) plan. LVCVA is obligated to pay its monthly share of the CCSF charges incurred and a contractually determined premium for HPN.

PUBLIC EMPLOYEES' RETIREMENT SYSTEM NEVADA (PERS) DEFINED BENEFIT PENSION PLAN

The LVCVA participates in PERS, a cost-sharing multiple-employer defined benefit plan (the System) and is required to report pension information in their financial statements for fiscal periods beginning on or after June 15, 2014, in accordance with GASB Statement No. 68, *Accounting and Financial Reporting for Pensions,* as amended. The underlying financial information used to prepare the pension allocation for the LVCVA is based on PERS financial statements, which are prepared in accordance with GAAP that apply to governmental accounting for fiduciary funds. This includes measuring the LVCVA's net pension liability, deferred outflows of resources, deferred inflows of resources and pension expense, information about the fiduciary net position of the System and additions to/deductions from the System's fiduciary net position on the same basis as they are reported by PERS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

OTHER POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB)

Effective July 1, 2007, the LVCVA implemented the provisions of GASB Statement No. 45, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions*. In accordance with the transition rules of that statement, the LVCVA elected to apply its measurement and recognition requirements on a prospective basis and set its beginning net OPEB obligation at zero for the year ended June 30, 2008. The annual OPEB cost reported in the accompanying financial statements is equal to the annual required contributions (ARC) of the LVCVA, calculated using an actuarial valuation based upon the same methods and assumptions applied in determining the plan's funding requirements. The OPEB obligation at June 30, 2015, is determined by adding the annual OPEB cost to the OPEB obligation at the beginning of the year and deducting any contributions to the plan during the year.

In a proactive measure to address the OPEB liability, the LVCVA created an internal service fund in FY 2013. Its purpose is to accumulate resources through yearly budget transfers from the general fund for the LVCVA's OPEB liability. The LVCVA has targeted a ten-year period to fund the current and expected liability. This is an intermediate funding step and does not constitute an OPEB contribution for actuarial reporting. Rather, such actions are regarded as earmarking of employer assets to reflect our current intent to apply those assets to finance the cost of benefits at some time in the future; and therefore, does not offset or reduce the liability recorded for OPEB.

DEFERRED OUTFLOWS AND INFLOWS OF RESOURCES

In addition to assets, a separate section is reported for deferred outflows of resources. This separate financial statement element represents a consumption of net position that applies to a future period and will not be recognized as an outflow of resources (expense/expenditure) until then. The unamortized deferred refunding charges (the difference between the reacquisition price and the net carrying amount of the defeased debt) qualifies for reporting in this category as well as items related to pensions.

In addition to liabilities, a separate section is reported for deferred inflows of resources. This separate financial statement element represents an acquisition of net position that applies to a future period and will not be recognized as an inflow of resources (revenue) until that time. Revenues that are unavailable to satisfy current obligations qualify for reporting in this category as well as obligations related to pensions.

LONG-TERM OBLIGATIONS

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the statement of net position. Bond premiums, discounts and deferred refunding charges are recorded and amortized over the life of the bonds. Under GASB Statement No. 65, beginning with FY 2014 bond issuances costs are expensed as incurred.

For governmental fund types, bond premiums and discounts, as well as issuance costs are recognized during the current period, as applicable. Bond proceeds are reported as other financing sources. Premiums received on debt issuances are reported as other financing sources, while discounts on debt issuance are reported as other financing uses. Issuance costs, even if withheld from the actual net proceeds received, are reported as debt service expenditures.

ACCOUNTING CHANGES / RESTATEMENT

The LVCVA implemented GASB Statement No. 68, *Accounting and Financial Reporting for Pensions*, in FY 2015. The stated intent of the statement is to improve financial reporting by state and local governments by "providing decision-useful information, supporting assessments of accountability and inter-period equity, and creating additional transparency of pension liability." This statement requires governments to show an allocated portion of multi-employer cost-sharing pension funds' liability in which they participate. It had a profound effect on the net position of the LVCVA's government-wide financial statements. As of June 30, 2014, the LVCVA's allocated portion of the net pension liability was $63,023,622 and accordingly, beginning net position has been reduced by that amount. Restated beginning net position is a deficiency of $47,859,652. As of June 30, 2015, the LVCVA's allocated portion of the net pension liability was $56,452,216. See Note 10 for additional information.

The LVCVA implemented GASB Statement No. 69, *Government Combinations and Disposals of Government Operations*, in FY 2015. This statement addresses how to account for and report mergers, acquisitions, transfers or disposals of a government's operations. Such implementation had no effect the financials of the LVCVA.

The LVCVA also implemented GASB Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date*, in this reporting year as part of its GASB 68 implementation. It provides direction on reporting the beginning balance of a liability where an expense has not yet been reported. See Note 10 for additional information.

USE OF ESTIMATES

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from these estimates.

NOTE 2. RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS:

The governmental funds balance sheet includes a reconciliation between fund balance – total governmental funds and net positions – governmental activities as reported in the government-wide statement of net position.

One element of that reconciliation explains that "capital and intangible assets used in the governmental activities are not current financial resources; and therefore, are not reported in the funds." The details of this $661,194,403 difference are as follows:

Depreciable and amortizable capital and intangible assets	$	508,195,269
Accumulated depreciation and amortization		(246,239,630)
Depreciable and amortizable capital and intangible assets, net		261,955,639
Non-depreciable and non-amortizable capital and intangible assets		399,238,764
Net adjustment to increase *fund balance – total governmental funds* to arrive at *net position – governmental activities*	$	661,194,403

Another element of that reconciliation is long-term liabilities, including bonds, deferred refunding charges, accrued interest that are not due and payable in the current period, as well as related items; and therefore, are not reported in the funds. The details of this $803,347,791 difference are as follows:

Bonds payable, due in more than one year	$	745,280,000
Bonds payable, due within one year		27,665,000
Capital lease obligation, due within one year		114,439
Capital lease obligation, due in more than one year		5,698
Unamortized bond premiums and discounts		17,629,698
Unamortized refunding charges		(3,545,147)
Interest payable		16,198,103
Net adjustment to reduce *fund balance - total governmental funds* to arrive at *net position - governmental activities*	$	803,347,791

NOTE 3. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY:

BUDGETARY INFORMATION

Annual budgets are adopted on a basis consistent with GAAP for all of the LVCVA's governmental and proprietary funds. Requests for current year transfers and following year appropriations are submitted by divisions and sections for review and approval. As required by the NRS, the tentative budget documents are filed with the Nevada Department of Taxation and the County Clerk by April 15. After April 15 and before the third Thursday in May, the public has the opportunity to review the tentative budget document and submit any comments for inclusion on the agenda of the public hearing. The approved budget is fully integrated on July 1 with LVCVA's accounting system. All appropriations lapse at the end of the fiscal year.

NRS 354.626 prohibits expenditures in excess of appropriations at the function level, which is the legal level of budgetary control. Budget transfers are reviewed by the Finance Department for budget availability and conformance with policies and the NRS. Three types of budget transfers are permitted by the NRS:

- Functional budget transfers are defined as transfers within the same function (*i.e.* general government, marketing, global business district (formerly operations), and community support) and same fund (*i.e.* general fund, capital projects fund). Transfers $250,000 and under are approved by the Senior Vice President of Finance; else the President/CEO's approval is required.
- Intra-fund budget transfers are defined as transfers between different functions, but within the same fund. The approval level is the same as functional transfers and the Board is advised of these transfers.
- Inter-fund or contingency budget transfers are defined as transfers between different funds and require prior approval of the Board.

Augmentations (increasing total appropriations) are accomplished by formal Board action. During the year, funds were re-appropriated to honor encumbrances that lapsed at June 30, 2014. All amendments made to the original budget were as prescribed by law.

For FY 2015, expenditures for the Community Support function exceed its budgeted amount by $449,565. This is not considered a violation of NRS 354.626 as the excess consists of statutorily required payments to another government resulting from an increase in exempt revenue that was not anticipated during the preparation of the budget.

UNRESTRICTED NET POSITION

Total unrestricted net position at June 30, 2015, was ($263,117,669). The components of unrestricted net position were as follows:

- Outstanding non-capital debt obligation of ($274,069,633) related to the LVCVA's obligation to the Nevada Department of Transportation (NDOT) for critically needed transportation projects (see Note 8).

- Cumulative results of all past years' operations of ($73,119,164) with $84,071,128 specifically identified for ongoing capital projects.

NEW PRONOUNCEMENTS

Statement No. 72 was issued by GASB in February 2015, effective for periods beginning after June 15, 2015, which means FY 2016 for the LVCVA. This Statement is *Fair Value Measurement and Application*. This Statement provides guidance for determining a fair value measurement for financial reporting purposes. This Statement also provides guidance for applying fair value to certain investments and disclosures related to all fair value measurements. The LVCVA will evaluate and implement this statement in FY 2016.

GASB issued, in June 2015, Statement No. 73, *Accounting and Financial Reporting for Pensions and Related Assets That Are Not within the Scope of GASB Statement No. 68, and Amendments to Certain Provisions of GASB Statements No. 67 and No. 68.* This statement is primarily intended to provide guidance related to pension plans not covered by GASB Statement No. 68. It also extends the approach to accounting and reporting established in Statement No. 68. This statement is effective for periods beginning after June 15, 2015, which will mean FY 2016 for the LVCVA. The LVCVA will evaluate the reporting changes and clarifications to GASB No. 68 during and implement in FY 2016.

GASB issued Statement No. 74 *Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans* and Statement No. 75 *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions* in June 2015. These statements replace GASB No. 43, No. 47 and No. 57 as well as other prior guidance. These statements establish new accounting and financial reporting requirements for governments whose employees are provided with OPEB. It also includes specific recognition and disclosure requirements for various OPEB plans. The LVCVA does not currently administer OPEB funds through a trust. The LVCVA is currently evaluating what effect, if any, GASB No. 74 or No. 75 will have on its reporting in FY 2017.

GASB issued Statement No. 76 *The Hierarchy of Generally Accepted Accounting Principles for State and Local Governments*, in June 2015. It is effective for period beginning after June 15, 2015, which is FY 2016 for the LVCVA. This statement does not address any specific reporting requirement; rather it discusses levels of authority that governments should use in applying requirements. It supersedes Statement No. 55, and amends Statement No. 62. GASB No. 76 establishes GASB Statements as Category A, which is the highest level of reporting authority for state and local governments, and Category B sources in the absence of Category A requirements. Category B includes GASB Technical Bulletins; GASB Implementation Guides; and literature of the AICPA cleared by the GASB. The LVCVA will review current reporting practices in relationship to this new hierarchy to confirm that the LVCVA is reporting properly.

GASB issued Statement No. 77 *Tax Abatement Disclosures* in August 2015. This statement requires disclosure of tax abatement information about (1) a reporting government's own tax abatement agreements and (2) those that are entered into by other governments and that reduce the reporting government's tax revenues. This statement also requires governments that enter into tax abatement agreements to disclose other information about the agreements. This statement requires LVCVA to complete its review and implementation in FY 2017.

NOTE 4. CASH AND INVESTMENTS:

The LVCVA maintains a cash and investment pool that is available for use by all of its funds. At June 30, 2015, this pool is displayed in the statement of net position and governmental funds balance sheet as "cash, cash equivalents and investments" and in the internal service fund statement of net position as "cash and cash equivalents" and "investments". The LVCVA accounts for its debt issuance proceeds portfolio separately in the capital projects funds.

At year end, the LVCVA's cash, cash equivalents and investment balances consisted of the following:

Cash and cash equivalents:		
Cash on hand	$	19,200
Deposits in bank		116,588,582
Investments (U.S. Agencies and LGIP)		80,831,575
	$	197,439,357

At year end, the LVCVA's carrying amount of deposits was $116,588,582, and the bank balance was $116,655,724.

According to the NRS, the LVCVA monies must be deposited in federally insured banks, credit unions, or savings and loan associations in the State. The LVCVA is authorized to use demand accounts, time accounts, and certificates of deposits. The NRS do not specifically require collateral for all demand deposits, but do specify that collateral for time deposits may be of the same type as those described for permissible investments. Permissible investments are similar to allowable LVCVA investments described below, except that the NRS permits longer terms and include securities issued by municipalities within the State. The LVCVA's deposits are fully covered by the federal depository insurance or collateralized at 102% by securities held by the LVCVA's agent in the LVCVA's name.

LGIP is an external investment pool administered by the State of Nevada's Treasurer, with oversight by the State's Board of Finance. The LVCVA deposits monies with the State Treasurer to be pooled with monies of other local governments for investment in the LGIP fund. The LGIP operates in accordance with all applicable NRS and the fair value of its shares is the same as the reported value of the shares. LGIP financial statements may be obtained from the State Treasurer's Office, 101 N. Carson Street Suite 4, Carson City, NV 89701.

As of June 30, 2015, the LVCVA had the following investments:

			Investments by Maturities			
	Original Cost	Fair Value	Less than 1 Year	1 - 5 Years	Accrued Interest	Total Value
U.S. Agencies	$ 36,723,982	$ 36,636,962	$ 16,995,472	$ 19,641,490	$ 62,629	$ 36,699,591
LGIP	44,194,613	44,194,613	44,194,613	-	7,419	44,202,032
Total	$ 80,918,595	$ 80,831,575	$ 61,190,085	$ 19,641,490	$ 70,048	$ 80,901,623

CONCENTRATION OF CREDIT RISK

The NRS and the LVCVA's investment policy limits investment instruments by credit risk. All of the LVCVA's investments in commercial paper must to be rated P-1 by Moody's Investor Service and A-1 by Standard and Poor's. The LVCVA's money market investments must be invested in those funds rated by a nationally recognized rating service as AAA or its equivalent and that invest only in securities issued by the Federal Government, U.S. Agencies, or REPOs fully collateralized by such securities. The LVCVA's investments in U.S. Agencies, which are implicitly guaranteed by the U.S. Government must be all rated AAA or its equivalent by a nationally recognized rating service. The LGIP does not have a credit rating.

To limit exposure to concentrations of credit risk, the LVCVA's investment policy limits investment in U.S. Agencies to 80%, money market mutual funds to 30%, Deposits, Repurchase Agreements and Overnight Investments to 60%, LGIP to 40%, Certificates of Deposit to 5%, and Commercial Paper to 20% of the entire portfolio at the time of investment. As of June 30, 2015, 25% of the LVCVA's investments, including cash equivalents, were classified in U.S. Agencies, 45% in Demand Deposits, and 30% in the LGIP.

The LVCVA's investment in U.S. Agencies was comprised of securities issued by the Federal Home Loan Bank (41%), the Federal Home Loan Mortgage Corporation (19%), the Federal National Mortgage Association (32%), and the Federal Farm Credit Bank (8%).

INTEREST RISK:

The LVCVA manages its exposure to the declines in fair value by limiting the maturities of its investments to five years or less. Some of the U.S. Agency investments have call options or prepayment risk, which, if exercised, could shorten the maturity of these investments.

CUSTODIAL CREDIT RISK:

For an investment, custodial credit risk is the risk that in the event of the failure of the counterparty, the LVCVA will not be able to recover the value of its investment or collateral securities that are in the possession of an outside party. At year end, the LVCVA did not have any significant custodial credit risk.

NOTE 5. CAPITAL ASSETS:

Capital asset activity for the year ended June 30, 2015, was as follows:

Description	Balance at June 30, 2014	Increases	Decreases	Balance at June 30, 2015
Capital assets not being depreciated or amortized:				
Land	$ 207,930,856	$ 188,171,761	$ -	$ 396,102,617
Intangibles	100,000	-	-	100,000
Construction in progress	2,365,549	2,890,603	(2,220,005)	3,036,147
Total capital assets not being depreciated or amortized	210,396,405	191,062,364	(2,220,005)	399,238,764
Capital assets being depreciated or amortized:				
Buildings	444,550,780	1,809,129	(3,584,459)	442,775,450
Intangibles	157,117	-	(18,715)	138,402
Improvements other than buildings	46,257,915	1,519,191	(429,359)	47,347,747
Furniture and equipment	18,433,799	423,561	(923,690)	17,933,670
Total capital assets being depreciated or amortized	509,399,611	3,751,881	(4,956,223)	508,195,269
Accumulated depreciation or amortization:				
Buildings	(195,783,282)	(12,018,668)	3,175,456	(204,626,494)
Intangibles	(157,117)	-	18,715	(138,402)
Improvements other than buildings	(23,929,167)	(3,967,983)	354,150	(27,543,000)
Furniture and equipment	(13,719,774)	(1,087,821)	875,861	(13,931,734)
Total accumulated depreciation or amortization	(233,589,340)	(17,074,472)	4,424,182	(246,239,630)
Net capital assets being depreciated or amortized	275,810,271	(13,322,591)	(532,041)	261,955,639
Governmental activities capital assets, net	$ 486,206,676	$ 177,739,773	$ (2,752,046)	$ 661,194,403

Depreciation and amortization expense for governmental activities was charged to functions as follows:

General government	$ 54,517
Marketing	72,402
Operations	16,947,553
	$ 17,074,472

NOTE 6. INTERFUND TRANSACTIONS:

The following schedule details the amounts due from/to other funds at June 30, 2015:

Receivable Fund	Payable Fund	Amount
General Fund	Debt Service Fund	$ 78,362

The outstanding balances between funds result mainly from the delayed time period between the dates that (1) interfund goods and services are provided or reimbursable expenditures occur, and (2) interest on investments in the debt service fund that is earned and transferred back to the general fund.

Fund transfers are legally authorized transfers from a fund receiving revenue to the fund through which the resources are to be expended. For the year ended June 30, 2015, transfers between funds were as follows:

		Transfers Out	
	Transfers In	General Fund	Debt Service Fund
General Fund	$ 132,853	$ -	$ 132,853
Capital Project Fund	21,500,000	21,500,000	-
Internal Service Fund	3,500,000	3,500,000	-
Debt Service Fund	54,988,725	54,988,725	-
	$ 80,121,578	$ 79,988,725	$ 132,853

NOTE 7. LEASES:

OPERATING LEASES

The LVCVA has non-cancelable operating leases for office space, parking spaces, computers, copiers and other equipment. Total rental costs for such leases were $177,267 for the year ended June 30, 2015. Future minimum lease payments for these leases are as follows:

Year Ending June 30,	
2016	$ 299,701
2017	295,912
2018	300,123
2019	304,154
2020	311,857
2021-2025	1,438,930
2026	70,305
Total	$ 3,020,982

CAPITAL LEASES

On September 1, 2013, the LVCVA entered into a $334,547 capital lease for computer equipment, which was capitalized as furniture and equipment. Amortization expense for FY 2015 was $111,516 and total accumulated amortization was also $204,445. As of June 30, 2015, the net value of this capital lease is $130,102. Total lease payments for FY 2015 were $117,217.

The LVCVA entered into a five year capital lease in April 2013 for $14,942 to purchase a copier which was capitalized as furniture and equipment. Amortization expense for FY 2015 was $2,988 and the total accumulated amortization was $6,724. The net value at June 30, 2015 was $8,218. Total lease payments for FY 2015 were $3,420. Future minimum lease payments are as follows:

Year Ending June 30,		
2016	$	120,637
2017		3,420
2018		2,565
		126,622
Less portion of payment representing interest		(6,485)
Present value of minimum lease payments	$	120,137

NOTE 8. LONG-TERM DEBT:

LVCVA issues general obligation and revenue bonds to fund land and other improvement, acquisition, and construction of capital assets consisting primarily of meeting and exhibit and support facilities at the Las Vegas Convention Center. In addition, the LVCVA, pursuant to legislative directive provided $300,000,000 of funding to the NDOT for transportation projects and issued general obligation bonds in this regard ($274,395,000 outstanding at June 30, 2015). The amount paid to NDOT through June 30, 2015 is $281.5 million.

Eleven of the LVCVA's outstanding bonds are general obligation bonds of Clark County, Nevada, acting by and through the LVCVA.

Clark County Nevada acts as the guarantor of these general obligation bonds, as defined in GASB Statement No. 70. The bonds are primarily secured by ad valorem taxes and are additionally secured by net pledged revenues of the LVCVA, primarily room taxes on hotels and motels in Clark County, Nevada. No requirements for repayment by the LVCVA to the County exist if ad valorem taxes had to be used. It has been the practice of the LVCVA never to resort to the use of ad valorem taxes for debt service, but rather to use only net pledged revenues derived from operations. In FY 2015, room taxes and gaming fees of $241 million exceeded four times the amount necessary to pay the $57.6 million of principal and interest payments during the fiscal year. In fact, as of June 30, 2015, no ad valorem tax revenues have been allocated to the LVCVA for any purpose, including guarantee debt payments. No change in this practice is contemplated in the future.

The following is a summary of terms and balances for general obligation / pledged revenue bonds payable at June 30, 2015:

\$38,200,000 - 5/07 Refunding Bonds due in annual installments through FY 2022. Semi-annual interest from 4 - 5.5%	\$	8,680,000
\$26,455,000 - 7/08 (NDOT) Bonds due in annual installments through FY 2028. Semi-annual interest from 4 - 5%		23,530,000
\$70,770,000 - 2010A (NDOT/BABs) Bonds due in annual installments through FY 2020. Semi-annual interest from 6.55 - 6.75%		70,770,000
\$53,520,000- 2010B (NDOT/Refunding) Bonds due in annual installments through FY 2027. Semi-annual interest from 2 - 5%		44,885,000
\$155,390,000- 2010C (NDOT/BABs) Bonds due in annual installments through FY 2039. Semi-annual interest from 4 - 7%		155,390,000
\$18,515,000 - 2010D (NDOT) Bonds due in annual installments through FY 2016. Semi-annual interest from 3 - 5%		4,125,000
\$24,990,000 - 2012 General Obligation Bonds due in annual installments through FY 2033. Semi-annual interest from 2 - 4%		23,975,000
\$50,000,000 - 2014 General Obligation Bonds due in annual installments through FY 2044. Semi-annual interest from 2 - 5%		50,000,000
\$181,805,000 - 2015 General Obligation Bonds due in annual installments through FY 2045. Semi-annual interest from 2 - 5%		181,805,000
	\$	563,160,000

REVENUE BONDS

In 1999, the State passed legislation that allowed the LVCVA to issue revenue bonds. The legislation allowed the bonds to be secured by and payable from room taxes and gaming fees, in addition to revenues from the operation of the facility.

Line of Credit

In December 2014, the LVCVA issued its Series 2014A, Subordinate Revenue Bonds, which included a credit agreement with JPMorgan to provide a non-revolving credit line of \$275 million. The bonds and the credit agreement are collectively referred to as the “Line of Credit.” These bonds were issued to provide short-term financing primarily for acquiring land related to the first phase of the LVCCD. The Line of Credit is non-revolving and subordinated to the other revenue bonds. During FY 2015, \$187 million was drawn for the purpose of acquiring the Riviera property and shortly thereafter \$116.8 million was refunded. The current outstanding principal on the Line of Credit is \$70.2 million, with the ability to draw an additional \$88 million. It became effective on December 5, 2014, and matures on December 2, 2016.

The interest rate on drawn funds is based upon the product of the one month London Interbank Offered Rate (LIBOR) times 70% times an applicable spread which is based on LVCVA’s credit rating times the greater of 1 or 1 less the maximum federal corporate tax rate times 1.53846. The applicable spread is currently 52.5 basis points (bps) and remains in effect as long as the LVCVA maintains a credit rating of A1 for Moody’s, or A+ for S&P. This rate would increase to 67.5 bps for an A2 or A rating, respectively, and 92.5 bps for an A3 or A- rating, respectively. Similarly, lower ratings by Moody’s and / or S&P

would result in progressively higher increases. Interest is due and paid monthly. The interest rate on the remaining amount available to draw is also based on the credit rating of the LVCVA, currently 22.5 bps, progressively increasing, if LVCVA's rating were to decrease and is payable quarterly.

The average interest rate on the principal during the first eight months has been 65 basis points, and this figure was used to calculate the estimated interest on the drawn balance for future periods. If the average interest rate and balances drawn and outstanding stayed the same, the LVCVA would pay $456,318 in FY 2016, and $191,278 in FY 2017 in interest for the $70,200,000 obligation. The interest on the undrawn balance of $88,000,000 would be $198,000 in FY 2016, and $82,997 in FY 2017. These estimates have been included in the interest and principal schedules below. A 1% increase in the floating interest rate would increase costs on the current outstanding balance by $702 thousand.

The agreement contains a provision allowing the LVCVA to convert any unpaid balance of drawn funds to a term loan on December 2, 2016, with equal semi-annual payments of principal over a 3 year term. The interest rate would be 1% plus the higher of Prime Rate plus 1.5%, Federal Effective Rate plus 2.0%, or the rate of 7.5%.

The following is a summary of revenue bonds payable at June 30, 2015:

$118,745,000 - 4/05 Revenue Bonds due in annual installments through FY 2020. Semi-annual interest from 3 - 5.25%	$ 14,100,000
$50,000,000- 11/07 Revenue Bonds due in annual installments through FY 2037. Semi-annual interest from 4 - 6%	43,560,000
$81,925,000- 2010E Revenue Bonds due in annual installments through FY 2041. Semi-annual interest from 4 - 5.5%	81,925,000
$70,200,000- 2014A Subordinate Revenue Bond/Line of Credit non-revolving variable rate indexed at one month LIBOR plus 22.5 basis points	70,200,000
	$ 209,785,000

	General Obligation / Pledged Revenue Bonds		Revenue Bonds		All Bonds	
Year Ending June 30,	Principal	Interest	Principal	Interest	Principal	Interest
2016	$ 10,795,000	$ 27,035,763	$ 16,870,000	$ 7,206,236	$ 27,665,000	$ 34,241,999
2017	24,940,000	28,266,192	73,080,000	6,337,543	98,020,000	34,603,735
2018	26,060,000	27,083,600	3,000,000	5,944,174	29,060,000	33,027,774
2019	27,210,000	25,836,957	3,120,000	5,818,724	30,330,000	31,655,681
2020	28,490,000	24,511,620	3,255,000	5,688,043	31,745,000	30,199,663
2021-2025	91,475,000	108,961,626	18,540,000	26,192,178	110,015,000	135,153,804
2026-2030	97,790,000	83,096,848	23,460,000	21,162,088	121,250,000	104,258,936
2031-2035	105,340,000	55,257,544	30,200,000	14,396,761	135,540,000	69,654,305
2036-2040	106,525,000	22,558,834	32,645,000	5,643,561	139,170,000	28,202,395
2041-2045	44,535,000	4,398,200	5,615,000	154,413	50,150,000	4,552,613
	$ 563,160,000	$ 407,007,184	$ 209,785,000	$ 98,543,721	$ 772,945,000	$ 505,550,905

ARBITRAGE REBATE AND DEBT COVENANT REQUIREMENTS

The Federal Tax Reform Act of 1986 imposes a rebate requirement with respect to some bonds issued by the LVCVA. Under this Act, an amount may be required to be rebated to the United States Treasury (called "arbitrage") for interest on the bonds to qualify for exclusion from gross income for federal income tax purposes. Rebatable arbitrage is computed as of each installment computation date. As of the most recent such date, the LVCVA's management believes that there is no rebatable arbitrage amount due. Future calculations might result in adjustments to this determination. In addition, certain LVCVA long-term debt obligations are subject to restrictive debt covenants, including certain revenue levels and revenue/expense ratios and LVCVA's line of credit contains default interest and acceleration provisions. LVCVA management believes it to be in compliance with such covenants.

DEBT REFUNDING AND DEFEASANCE

The LVCVA issued 2015 General Obligation/Refunding Bonds during the fiscal year. This refunding was used for the partial defeasance of three existing bonds. It included both current and advanced refundings. Net proceeds from this new issuance were used to pay $64.25 million of outstanding principal towards the 4/05 Revenue Bond, $13.74 million toward the 5/07 General Obligation Refunding Bond and $116.80 million as a principal reduction of the 2014A Revenue Bond/Line of Credit.

The line of credit was paid on the closing date along with $104,306 in accrued interest. Remaining defeased amounts were placed in an irrevocable trust account to provide for all future debt payments on the old bonds. At June 30, 2015, $72,370,000 of defeased bonds remained outstanding and a trust account had a balance of $80,940,437. Accordingly, the trust assets and the liabilities for the defeased bonds are not included in the LVCVA financial statements.

The 2015 General Obligation/Refunding Bond included a $16,018,110 premium and $973,190 in refunded bond interest. Cost of issuance was $1,204,908, including $483,814 in underwriting fees. This refunding produced a total saving of $6.76 million and the LVCVA realized a present value savings of just over $6.52 million. A deferred amount on refunding of $2,955,437 was recognized and will be amortized over the remaining life of the old debt.

The changes in long-term liabilities for the fiscal year are as follows:

	Interest paid During the Year	Beginning Balance, July 1, 2014	Additions	Reductions	Ending Balance, June 30, 2015
BONDS					
General Obligation/Pledged Revenue Bonds					
5/07 Refunding Bonds	$ 1,145,988	$ 25,045,000	$ -	$ (16,365,000)	$ 8,680,000
7/08 General Obligation Bonds	1,123,285	24,070,000	-	(540,000)	23,530,000
2010A General Obligation Bonds	4,721,166	70,770,000	-	-	70,770,000
2010B General Obligation/Refunding Bonds	2,094,275	47,130,000	-	(2,245,000)	44,885,000
2010C General Obligation Bonds	9,910,195	155,390,000	-	-	155,390,000
2010D General Obligation Bonds	304,375	8,050,000	-	(3,925,000)	4,125,000
2012 General Obligation Bonds	716,923	24,990,000	-	(1,015,000)	23,975,000
2014 General Obligation Bonds	1,793,735	50,000,000	-	-	50,000,000
2015 General Obligation Bonds	-	-	181,805,000	-	181,805,000
Revenue Bonds					
4/05 Revenue Bonds	4,303,987	91,735,000	-	(77,635,000)	14,100,000
11/07 Revenue Bonds	2,128,835	44,620,000	-	(1,060,000)	43,560,000
2010E Revenue Bonds	4,140,383	81,925,000	-	-	81,925,000
2014A Subordinate Revenue Bond/Line of Credit	371,335	-	187,000,000	(116,800,000)	70,200,000
Unamortized premiums and discounts		7,636,790	16,018,110	(6,025,202)	17,629,698
Subtotal Bonds	32,754,482	631,361,790	384,823,110	(225,610,202)	790,574,698
OTHER LIABILITIES					
Compensated absences	-	5,103,217	5,468,527	(4,211,726)	6,360,018
Capital lease obligations	-	228,907	-	(108,770)	120,137
Postemployment benefits other than pensions	-	21,459,161	3,726,894		25,186,055
Net pension liability	-	71,228,022	7,987,420	(22,763,286)	56,452,156
Subtotal other liabilities	-	98,019,307	17,182,841	(27,083,782)	88,118,366
	$ 32,754,482	$ 729,381,097	$ 402,005,951	$ (252,693,984)	$ 878,693,064

The portion of each long-term liability that is due in FY 2016 is shown below:

	Principal	Interest
BONDS		
General Obligation/Pledged Revenue Bonds		
5/07 Refunding Bonds	$ 2,755,000	$ 379,575
7/08 General Obligations Bonds	560,000	1,101,285
2010A General Obligations Bonds	-	4,721,166
2010B General Obligations Bonds	2,320,000	2,025,800
2010C General Obligations Bonds	-	9,910,195
2010D General Obligations Bonds	4,125,000	103,125
2012 General Obligations Bonds	1,035,000	696,423
2014 General Obligations Bonds	-	2,076,349
2015 General Obligations Bonds	-	6,021,845
Revenue Bonds		
4/05 Revenue Bonds	14,100,000	370,125
12/07 Revenue Bonds	1,105,000	2,074,710
2010E Revenue Bonds	1,665,000	4,107,083
2014A Subordinate Revenue Bonds/Line of Credit	-	654,318
	27,665,000	34,241,999
OTHER LIABILITIES		
Compensated absences	4,456,007	-
Capital lease obligation	114,439	6,198
	$ 32,235,446	$ 34,248,198

The general fund has been used in prior years to liquidate compensated absences, net pension obligations and other post-employment obligations.

NOTE 9. RISK MANAGEMENT:

The LVCVA is exposed to various risks of loss related to torts; thefts of, damage to, or destruction of assets; errors and omissions; injuries to employees; and natural disasters. The LVCVA has third-party coverage for all lines of insurance, including property, commercial liability, and employees. For worker's compensation, the LVCVA is self-insured at a relatively low threshold. For claims over the threshold, third-party coverage would take effect. Settled claims from these risks have not exceeded commercial insurance coverage for the past five years.

NOTE 10. EMPLOYEE RETIREMENT PLAN:

Plan Description

The LVCVA participates in a cost-sharing, multiple-employer, defined benefit public employees' retirement system (the System) which includes both Regular and Police/Fire members. The System was established by the Nevada Legislature in 1947, effective July 1, 1948. The System is administered by a seven member board (PERS Board) who are appointed by the governor and its purpose is to provide a reasonable base income to qualified employees who have been employed by a public employer and whose earnings capacities have been removed or substantially impaired by age or disability. The LVCVA exercises no control over PERS. NRS 286.110 states that "The respective participating public employers are not liable for any obligations of the system."

Benefits Provided

Benefits, as required by the NRS, are determined by the number of years of accredited service at time of retirement and the member's highest average compensation in any 36 consecutive months with special provisions for members entering the System on or after January 1, 2010. Benefit payments to which participants or their beneficiaries may be entitled under the plan include pension benefits, disability benefits, and survivor benefits. Monthly benefit allowances for members are computed as 2.5% of average compensation for each accredited year of service prior to July 1, 2001. For service earned on and after July 1, 2001, this multiplier is 2.67% of average compensation. For members entering the System on or after January 1, 2010, there is a 2.5% multiplier.

The System offers several alternatives to the unmodified service retirement allowance which, in general, allow the retired employee to accept a reduced service retirement allowance payable monthly during his or her lifetime and various optional monthly payments to a named beneficiary after his or her death. Post-retirement increases are provided by authority of NRS 286.575 - .579, which for members entering the system before January 1, 2010, is equal to the lesser of:

1) 2% per year following the third anniversary of the commencement of benefits, 3% per year following the sixth anniversary, 3.5% per year following the ninth anniversary, 4% per year following the twelfth anniversary and 5% per year following the fourteenth anniversary, or

2) The average percentage increase in the Consumer Price Index (or other PERS Board approved index) for the three preceding years.

In any event, a member's benefit must be increased by the percentages in paragraph 1, above, if the benefit of a member has not been increased at a rate greater than or equal to the average of the Consumer Price Index (or other PERS Board approved index) for the period between retirement and the date of increase. For members entering the system on or after January 1, 2010, the post-retirement increases are the same as above, except that the increases do not exceed 4% per year.

Vesting

Regular members are eligible for retirement at age 65 with five years of service, at age 60 with 10 years of service, or at any age with thirty years of service. Regular members entering the System on or after January 1, 2010, are eligible for retirement at age 65 with five years of service, or age 62 with 10 years of service, or any age with thirty years of service. Police/Fire members are eligible for retirement at age 65 with five years of service, at age 55 with ten years of service, at age 50 with twenty years of service, or at any age with twenty-five years of service. Police/Fire members entering the System on or after January 1, 2010, are eligible for retirement at 65 with five years of service, or age 60 with ten years of service, or age 50 with twenty years of service, or at any age with thirty years of service. Only service performed in a position as a police officer or firefighter may be counted towards to eligibility for retirement as Police/Fire accredited service.

The normal ceiling limitation on monthly benefits allowances is 75% of average compensation. However, a member who has an effective date of membership before July 1, 1985, is entitled to a benefit of up to 90% of average compensation. Both Regular and Police/Fire members become fully vested as to benefits upon completion of five years of service.

Contributions

The authority for establishing and amending the obligation to make contributions and member contribution rates is set by statute. New hires, in agencies which did not elect the Employer-Pay Contribution (EPC) plan prior to July 1, 1983, have the option of selecting one of two contribution plans. Contributions are shared equally by employer and employee. Employees can take a reduced salary and have contributions made by the employer (EPC) or can make contributions by a payroll deduction matched by the employer. The LVCVA elected the EPC plan.

The System's basic funding policy provides for periodic contributions at a level pattern of cost as a percentage of salary throughout an employee's working lifetime in order to accumulate sufficient assets to pay benefits when due. The System receives an actuarial valuation on an annual basis for determining the prospective funding contribution rates required to fund the System on an actuarial reserve basis. The actuary funding method used is the Entry Age Normal Cost Method. It is intended to meet the funding objective and result in a relatively level long-term contributions requirement as a percentage of salary. Contributions actually made are in accordance with the required rates established by the Nevada Legislature. These statutory rates are increased/decreased pursuant to NRS 286.421 and 286.450.

For the fiscal years ended June 30, 2014 and 2015, the Statutory Employer/employee matching rate was 13.25% for Regular and 20.75% for Police/Fire. The Employer-pay contribution (EPC) rate was 25.75% for Regular and 40.50% for Police/Fire. Contributions to the pension plan from the LVCVA were $8,204,400 and $8,618,472 for the years ended June 30, 2014 and 2015 respectively.

Effective July 1, 2015, the required contribution rates for regular members will be 14.5% and 28.0% for employer/employee matching and EPC, respectively. The required contribution rates for police/fire members will remain the same.

Pension Liabilities, Pension Expense, and Deferred Outflows and Deferred Inflows of Resources Related to Pensions

The employer allocation percentage of the net pension liability was based on the total contributions due on wages paid during the measurement period. Contributions for employer pay dates that fall within PERS fiscal year ending June 30, 2014, are used as the basis for determining each employer's proportionate share of the collective pension amounts. The LVCVA's allocated portion was calculated at 0.54167%. The LVCVA recorded a liability of $56,452,216 for its portion of the net pension liability at June 30, 2015.

Changes in the LVCVA's net pension liability were as follows:

Reconciliation of Net Pension Liability	
Beginning Net Pension Liability	$ 71,228,022
Pension Expense	7,479,633
Employer Contributions	(8,204,400)
New Net Deferred (Inflows)/Outflows	(14,051,039)
Recognition of Prior Deferred (Inflows)/Outflows	-
Ending Net Pensions Liability	$ 56,452,216

The LVCVA recognized pension expense of $7,479,633 for the year ended June 30, 2015. The LVCVA reported deferred outflows and inflows of resources related to pensions as follows:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ -	$ 2,701,549
Changes of assumptions	-	-
Net difference between projected and actual earnings on investments	-	11,857,277
Changes in proportion and differences between actual contributions and proportionate share of contributions	507,787	-
LVCVA contributions subsequent to measurement date	8,618,472	-
	$ 9,126,259	$ 14,558,826

At June 30, 2014, the average expected remaining service life is calculated at 6.70 years.

The $8,618,472 of deferred outflows for contributions made by the LVCVA to PERS subsequent to the measurement date will be recognized as a reduction to net pension liability in the year ending June 30, 2016. Other amounts listed as deferred outflows and deferred inflows of resources related to pensions will be recognized as follows:

Year end June 30,	
2016	$ 3,318,354
2017	3,318,354
2018	3,318,354
2019	3,318,354
2020	457,425
After	320,198

Included in accounts payable at June 30, 2015, the LVCVA had $886,499 payable to PERS, equal to the required contribution for the month of June 2015 which was subsequently paid in accordance with applicable due dates in July and August 2015.

Actuarial Assumptions

The System's net pension liability was measured as of June 30, 2014, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. For this purpose, certain actuarial valuation assumptions are stipulated by GASB and may vary from those used to determine the prospective funding contribution rates. The total pension liability was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation rate	3.50%
Payroll growth	5.00%, including inflation
Investment rate of return	8.00%
Discount rate	8.00%
Productivity pay increase	0.75%
Projected salary increases	Regular: 4.60% to 9.75%, depending on service Police/Fire: 5.25% to 14.5%, depending on service Rates include inflation and productivity increases
Consumer price index	3.50%

At June 30, 2014, assumed mortality rates and projected life expectancies for selected ages were as follows:

Regular Members				
	Mortality Rates		Expected Years of Life Remaining	
Age	Males	Females	Males	Females
40	0.10%	0.05%	41.1	44.4
50	0.17%	0.12%	31.6	34.7
60	0.55%	0.42%	22.4	25.4
70	1.82%	1.39%	14.3	17.0
80	5.65%	3.79%	7.7	10.1

Police/Fire Members				
	Mortality Rates		Remaining	
Age	Males	Females	Males	Females
40	0.10%	0.06%	40.2	42.5
50	0.19%	0.15%	30.7	32.8
60	0.63%	0.54%	21.5	23.6
70	2.02%	1.72%	13.5	15.5
80	6.41%	4.63%	7.1	9.0

These mortality rates and projected life expectancies are based on the following:

- For non-disabled male regular members – RP-2000 Combined Healthy Mortality Table projected to 2013 with Scale AA
- For non-disabled female regular members – RP-2000 Combined Healthy Mortality Table, projected to 2013 with Scale AA, set back one year
- For all non-disabled police/fire members – RP-2000 Combined Healthy Mortality Table projected to 2013 with Scale AA, set forward one year
- For all disabled regular members and all disabled police/fire members – RP-2000 Disabled Retiree Mortality Table projected to 2013 with Scale AA, set forward three years

Actuarial assumptions used in the June 30, 2014 valuation were based on the results of the experience review completed in 2013.

Valuation of Plan Assets-Investment Policy

The policies which determine the investment portfolio target asset allocation are established by the PERS Board. The asset allocation is reviewed annually and is designed to meet the future risk and return needs of the System. The following target allocation policy was adopted as of June 30, 2014:

Asset Class	Target Allocation	Long-Term Geometric Expected Real Rate of Return*
Domestic Equity	42%	5.50%
International Equity	18%	5.75%
Domestic Fixed Income	30%	0.25%
Private Markets	10%	6.80%
	100%	

* These geometric return rates are combined to produce the long-term expected rate of return by adding the long-term expected inflation rate of 3.5%.

Discount Rate

The discount rate used to measure the total pension liability was 8.00% as of June 30, 2014 and 2013. The projection of cash flows used to determine the discount rate assumed that employee and employer contributions will be made at the rate specified in statute. Based on that assumption, the pension plan's fiduciary net position at June 30, 2014, was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on pension plan investments (8%) was applied to all periods of projected benefit payments to determine the total pension liability as of June 30, 2014 and 2013.

Pension Liability Discount Rate Sensitivity

The following presents LVCVA's proportionate share of the net pension liability of the System as of June 30, 2014, calculated using the discount rate of 8.00%, as well as what the LVCVA's net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (7.00%) or 1- percentage-point higher (9.00%) than the current rate:

	1% Decrease (7.00%)	Discount Rate (8.0%)	1% Increase (9.00%)
Net Pension Liability-LVCVA portion	$87,789,372	$56,452,216	$30,403,063

Pension Plan Fiduciary Net Position

PERS issues a stand-alone CAFR that includes financial statements and required supplementary information for the plan. Additional information about the System's fiduciary net position is available at www.nvpers.org under Quick Links – Publications, or

Public Employees Retirement System of Nevada
693 W. Nye Lane
Carson City, NV 89703-1599
(775) 687-4200

NOTE 11. POST EMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB):

From the accrual accounting perspective, the cost of postemployment healthcare benefits, like the cost of pension benefits, generally should be associated with the periods in which the costs occur, rather than in the future years when paid. The requirements of GASB Statement No. 45, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other than Pensions*, were adopted for the year ended June 30, 2008. The LVCVA recognizes the cost of postemployment healthcare in the year when the employee services are received by reporting the accumulated liability from the prior years, and providing useful information in assessing potential demands on the LVCVA's future cash flows.

PLAN DESCRIPTION

In accordance with NRS, retirees of the LVCVA may continue insurance through existing plans, if enrolled as an active employee at the time of retirement. The two programs that are available to active employees and retirees are the Clark County Self-Funded Group Medical and Dental Benefits Plan (CCSF), a cost-sharing multiple-employer defined benefit plan, and Health Plan of Nevada (HPN), a fully-insured health maintenance organization (HMO) plan.

The CCSF and HPN plans are not administered as a qualifying trust or equivalent arrangement, as defined by GASB Statement No. 45, and are included in Clark County's CAFR as an internal service fund (the Self-Funded Group Insurance Fund). The CCSF report may be obtained by writing Clark County, Nevada, PO Box 551210, 500 S. Grand Central Parkway, Las Vegas, Nevada 89155-1210.

The LVCVA provides continuation of medical insurance coverage to retirees under the State of Nevada Public Employees Benefits Program (PEBP) a cost-sharing multiple-employer defined benefit plan. For participants who enrolled in the PEBP prior to September 1, 2008, the LVCVA is responsible for payment of a monthly subsidy, based on the years of service with the local government for the life of the retiree. The PEBP issues a publicly available financial report that includes financial statements and required supplementary information. The PEBP report may be obtained by writing or calling the Public Employee Benefit Plan, 901 South Stewart Street, Suite 1001, Carson City, Nevada 89701, (800) 326-5496.

FUNDING POLICY

For the CCSF and HPN plans, contribution requirements of plan members and the LVCVA are established and may be amended through negotiations between the LVCVA and Clark County. In some years, the LVCVA has made additional contributions, as determined by the CCSF Executive Board, under terms of the agreement. Retirees in the CCSF and HPN programs receive no direct subsidy from the LVCVA. Retiree loss experience is pooled with active loss experience for the purpose of setting rates. The difference between the true claim cost and the blended premium is an implicit rate subsidy that creates an OPEB cost for the LVCVA. Based on the FY 2015 actuarial report, the LVCVA has 53 PEBP retires, 100 non-PEBP retirees, 5 surviving spouses and 491 active employees in the CCSF and HPN plans. The LVCVA currently pays for postemployment healthcare benefits on a pay-as-you-go basis.

At the September 13, 2011, Board of Directors meeting, revisions to the LVCVA's Financial Management Policy were approved to establish a funding plan for its OPEB obligations. In FY 2013, the LVCVA established an internal service fund to accumulate resources to be held in reserve to pay its future liability for postemployment benefits. Transfers from the general fund to the OPEB reserve fund have been incorporated into the annual budget process based on the current revenue streams and the goal of fully funding the outstanding liability. The target for fully funding is 10 years from the establishment of the OPEB reserve fund.

The LVCVA is required to pay the PEBP an explicit subsidy, based on years of service, for retirees enrolled in this plan. In 2015, retirees were eligible for a minimum subsidy of $116 per month after 5 years of service with a Nevada state or local government entity. The maximum subsidy of $636 per month is earned after 20 years of combined service with an eligible entity. The subsidy is set by the Nevada State Legislature.

Annual OPEB cost (expense) is calculated based on the annual required contribution (ARC) of the employer, an amount determined in accordance with the parameters of GASB Statement No. 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal costs each year and amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed 30 years. The following table shows the components of the LVCVA's annual OPEB cost for the year, the amount contributed to the plan, and the changes in the LVCVA's net OPEB obligation.

	CCSF and HPN	PEBP	Total
Annual required contribution (ARC)	$ 4,452,632	$ 311,490	$ 4,764,122
Interest on net OPEB obligation	805,994	56,385	862,379
Adjustment to the ARC	(1,071,520)	(74,960)	(1,146,480)
Annual OPEB cost (expense)	4,187,106	292,915	4,480,021
Contributions made	(559,894)	(193,233)	(753,127)
Increase in net OPEB obligations	3,627,212	99,682	3,726,894
Net OPEB obligation - beginning of the year	21,246,349	212,812	21,459,161
Net OPEB obligation - end of the year	$ 24,873,561	$ 312,494	$ 25,186,055

The LVCVA's annual OPEB cost, the percentage of annual cost contributed and net OPEB obligation for fiscal years 2013-2015 were as follows:

	Fiscal year ended June 30,	Annual OPEB Cost	Percent of OPEB Cost Contributed	Net OPEB Obligation
CCSF and HPN	2013	$ 3,822,256	10.7%	$ 17,732,115
	2014	3,968,846	11.5%	21,246,349
	2015	4,187,106	13.4%	24,873,561
PEBP	2013	412,238	56.2%	94,670
	2014	328,525	64.0%	212,812
	2015	292,915	66.0%	312,494

FUNDED STATUS AND FUNDING PROGRESS

The funded status of the plans as of the most recent actuarial valuation date was as follows:

Valuation Date	Actuarial Value of Assets	Actuarial Accrued Liability (AAL)	Unfunded Actuarial Accrued Liability (UAAL)	Funded Ratio	Annual Covered Payroll	UAAL as a percentage of Covered Payroll
CCSF and HPN						
7/1/2014	$ -	$ 39,266,548	$ 39,266,548	0%	$ 33,467,565	117%
PEBP						
7/1/2014	$ -	$ 5,386,309	$ 5,386,309	0%	N/A*	N/A*

*PEBP is a closed plan; and therefore, there are no current employees covered by the PEBP.

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend. Amounts determined regarding the funded status of the plan and annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The schedule of funding progress, presented as required supplementary information, provides multi-year trend information that shows whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liability for benefits.

ACTUARIAL METHODS AND ASSUMPTIONS

Projections of benefits are based on the substantive plan (the plan as understood by the employer and plan participants) and include the types of benefits in force at the valuation date and the pattern of sharing benefit costs between the LVCVA and the plan members. Bi-annual actuarial reports and mid-period adjustments to such estimates reflect a long-term perspective and employ methods and assumptions that are designed to reduce short-term volatility in actuarial accrued liabilities and the actuarial value of assets.

Significant methods and assumptions were as follows:

	CCSF, HPN and PEBP
Actuarial valuation date	July 1, 2014
Actuarial cost method	Entry age normal, level dollar amount
Amortization method	30 years, open, level dollar amount
Remaining amortization period	30 years remaining as of July 1, 2014
Asset valuation	N/A, no assets in trust
Actuarial assumptions:	
Investment rate of return	4%
Projected salary increases	N/A
Cost of living adjustments	N/A
Healthcare inflation rates	PPO and HMO – 7.0% in 2015/2016, grading down 0.25% per year until reaching an ultimate rate of 5.0%.

Actuarial valuations involve estimates of the value of reported amounts and assumptions about the probability of events in the future. Amounts determined regarding the funded status of the plans and annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future.

NOTE 12. CLASSIFICATION OF NET POSITION AND FUND BALANCES:

FUND BALANCE CLASSIFICATIONS:

In February 2009, the GASB issued Statement No. 54*, Fund Balance Reporting and Government Fund Type Definitions*, effective for periods beginning after June 15, 2010. Under GASB Statement No. 54, fund balances are required to be reported in classifications based on the following LVCVA definitions:

Nonspendable Fund Balance – Includes amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact. These classifications include inventories, prepaid items, assets held for sale and long-term receivables.

Restricted Fund Balance – Includes constraints placed on the use of these resources that are either externally imposed by creditors (such as debt covenants), grantors, contributors or other governments; or are imposed by law (through constitutional provisions or enabling legislation).

Committed Fund Balance – Includes amounts that can only be used for a specific purpose because of a formal action (resolution or board approval both of which are considered to be equally binding) by the government's highest level of decision-making authority, which is the LVCVA's Board of Directors. Those constraints remain binding unless removed or changed in the same manner employed to previously commit those resources.

Assigned Fund Balance – Includes amounts that are constrained by the LVCVA's intent for specific purposes, but do not meet the criteria to be classified as restricted or committed. The LVCVA Board of Directors has provided such authority to express intent in policy FIN-25 to the President/CEO and the Senior Vice President of Finance. Constraints imposed on the use of assigned amounts can be removed without formal Board action.

Unassigned Fund Balance – This is the residual classification of the general fund. This is fund balance that has not been reported in any other classification. The general fund is the only fund that can report a positive unassigned fund balance. Other governmental funds might report a negative balance in this classification, as a result of overspending for specific purposes for which amounts have been restricted, committed or assigned.

SPENDING PRIORITIZATION IN USING AVAILABLE RESOURCES:

When both restricted resources and other resources (*i.e*. committed, assigned, and unassigned) can be used for the same purposes, the LVCVA financial management policy considers restricted resources to be spent first.

When committed, assigned, and unassigned resources can be used for the same purpose, the flow assumption in the LVCVA budget is to spend in the sequence of committed resources first, assigned second, and unassigned last.

GENERAL FUND BALANCE POLICY:
Based on Nevada Administrative Code 354.650-660, a minimum fund balance of 4.0% of budgeted general fund operating expenditures must be maintained. The LVCVA begins each new fiscal year operating from beginning fund balance for six weeks based on the timing of the first “new” years’ room tax collections. Six weeks is approximately 12% of budgeted operating expenditures. Thus, in order to ensure that the LVCVA has sufficient cash on hand to meet all of its financial obligations in a timely manner and to ensure that essential services are not disrupted in times of fluctuating revenues, the LVCVA’s fiscal practice is to target an ending fund balance between 4% and 16% to prepare for potential variances in economic conditions without detriment to operations.

The fund balances by component at June 30, 2015, were:

	General Fund	Capital Project Funds	Debt Service Funds
Non-Spendable			
Inventory	$ 449,710	$ -	$ -
Prepaid items	4,124,089	57,623	-
Other	199,214	-	-
Restricted			
Capital project programs	-	29,406,583	-
Debt service programs	-	-	49,605,285
Collection allocation	6,921,857	-	-
Nevada Department of Transportation	-	18,486,568	-
LV.com	10,247	-	-
Committed			
Capital project programs	-	52,704,493	-
Debt service programs	-	-	4,605,510
Operating budget	1,028,925	-	-
Assigned			
Marketing and advertising	2,879,000	-	-
Capital project programs	11,000,000	1,902,429	-
General government	175,000	-	-
Operations	845,000	-	-
Community support	490,000	-	-
Internal service fund	500,000		
Unassigned	4,964,139	-	-
	$ 33,587,181	$ 102,557,696	$ 54,210,795

NOTE 13. COMMITMENTS AND CONTINGENCIES:

In FY 2012 and FY 2013, the economy began to stabilize and has helped to stabilize the LVCVA’s current operations. In FY 2014, the LVCVA showed higher than expected increases in its primary revenue stream, room tax. This trend has continued in FY 2015 with even greater than expected revenues. However, Nevada’s economy and the LVCVA’s future operation cannot be predicted at this time.

The LVCVA often carries cash and cash equivalents on deposits with financial institutions in excess of federally-insured limits, and the risk of losses that may be sustained as a result of uninsured deposits in the event of a future failure of a financial institution if any, is not subject to estimation at this time.

CONTRACTS AND COMMITMENTS

ADVERTISING AGENCY

R&R Partners (R&R) is the official advertising and marketing communications agency for the LVCVA. The company develops marketing plans for both long-term and short-term initiatives and works with the LVCVA in the areas of consumer marketing, business and convention marketing, international marketing and extended destination marketing. Beginning in July 2015, compensation is 6.5% of gross billed (6.95% of the net) amounts for commission on media and external production and services, plus an agency service fee of $580,000 per month for fiscal year 2016. In addition R&R will receive a content creation services fee of up to $708,333 per month for twelve month starting July 1, 2015. Other reimbursable expenses will be billed at net (production, travel, administration). The current contract term is through June 2018 with an optional two-year extension, which can be terminated by either party with 90 days' notice. The LVCVA, through R&R, also sponsors various special events which bring people to Las Vegas. Some of these involve multi-year contracts. The sponsorship contract commitments at June 30, 2015 were $1.4 million for FY 2016 and $1 million for FY 2017 and 2018.

INTERNATIONAL OFFICES

The LVCVA is party to contracts for international office representation in Australia, Canada, Germany, Ireland, France, India, Mexico, United Kingdom, Brazil, Japan, China, and South Korea. The 2-year contracts were approved at the May 13, 2014, Board of Directors meeting. The contract's value for FY 2016 is $2.1 million and can be terminated immediately, with cause, by written notice. New contracts will be negotiated during 2016.

NATIONAL FINALS RODEO

In January 2014, and amended in August 2014, the LVCVA entered into an agreement with Professional Rodeo Cowboys Association (PRCA), through Las Vegas Events, to provide annual payments of $2.2 million as an annual sponsorship fee for the National Finals Rodeo, with the possibility of adding another event with an additional sponsorship fee of $287,000. The contract is for 10 years, ending in FY 2024.

TECHNOLOGY SERVICES AGREEMENT

In August 2013, the LVCVA entered into an agreement with Cox Nevada Telcom (Cox) for telecommunications services for the Las Vegas Convention Center, Cashman Center and other various buildings belonging to the LVCVA. Cox was obligated to invest at least $9.5 million of telecommunication infrastructure improvements to the LVCVA's facilities, over the life of the agreement which ends on September 28, 2020. As of June 30, 2015, the total investment made by Cox was $10,193,101. The investment shall be owned by the LVCVA at the end of the term. If early termination occurs the LVCVA is obligated to reimburse Cox for a portion of their investment ($8,226,284 if termination occurred June 30, 2015). This is considered a contingent liability which is not recorded in the LVCVA financial statements.

ESCROW ACCOUNT

In February 2015, the LVCVA completed a real estate asset purchase, the Riviera Hotel and Casino site. The purchase agreement included a requirement that the LVCVA place $27.5 million in escrow to be drawn down by the seller to pay for costs associated with the business closure. The hotel and casino ceased operations in May 2015. Proceeds from the liquidation sale of furniture and fixtures were also placed into the escrow account per the purchase agreement. Any undrawn funds after 5 years revert back to the LVCVA. As of June 30, 2015, $3.3 million was drawn from the account, leaving $24.8 million remaining in escrow. Subsequent cash draws related to the closing, including one that occurred in July 2015 for $17.5 million, are estimated to use the remaining amount of the escrow funds. Accordingly, the entire amount of the escrowed funds remaining is considered part of the purchase price of the land and the undisbursed balance at June 30, 2015, is reflected as a liability.

PRESIDENTIAL/VICE PRESIDENTIAL DEBATE

On September 23, 2015, the Board of Directors approved up to $4 million in expenditures to host the Presidential/Vice Presidential Debate in Las Vegas during the fall of 2016. The LVCVA, in conjunction with the University of Nevada Las Vegas, submitted a bid to host one of the 2016 debates and was awarded the opportunity to host the final debate between the presidential candidates in October 2016. The estimated expenditure includes a host fee of $2 million and event program and production costs of $2 million.

OTHER OBLIGATIONS

The LVCVA has no long-term obligation to fund other organizations, for example, Las Vegas Events. However, we acknowledge these other organizations do engage in long-term sponsorship commitments.

In August 2008, the LVCVA and the City of Las Vegas (City) signed a non-binding memorandum of understanding (MOU) regarding the potential transfer of operations and ownership of Cashman Center facilities from the LVCVA to the City. This MOU provides for negotiation of a final transfer agreement between the two parties, and until such time the LVCVA is obligated to operate and maintain the property. Among other provisions, this final transfer agreement must include a professional baseball stadium and facilities on the current property or constructed at another property prior to transfer. This agreement is currently extended until August 2016. The final transfer agreement must also be approved by the LVCVA Board of Directors and the City Council. To date, no such agreement has been presented for approval.

CONSTRUCTION CONTRACTS AND OTHER SIGNIFICANT COMMITMENTS

The LVCVA is a party to several contracts and commitments relating to construction projects and services related to the LVCVA's facilities and land. At June 30, 2015, such contracts, in the capital projects fund, totaled approximately $5,649,103 with an estimated outstanding balance of $1,606,891. Other significant commitments in the general fund with an outstanding balance totaled approximately $4,308,866. As of June 30, 2015, the LVCVA Board has approved staff to host future events in the destination budgeted at approximately $839,000.

LEGAL MATTERS

The LVCVA is the defendant in various legal actions. It is the opinion of the LVCVA's management and legal counsel that they will not result in any material liabilities to the LVCVA other than disclosed below. The LVCVA does not accrue for estimated future legal and defense costs, if any, to be incurred in connection with outstanding or threatened litigation and other disputed matters but rather, records such as period costs when the services are rendered.

There is ground water contamination in one of the parking areas of the LVCC. Management believes it is probably that the LVCVA will be named as a responsible party for remediation activities; and therefore, has recorded a $600,000 pollutions remediation liability on the government-wide financials using the expected cash flow technique for future remediation costs. This estimate is based on preliminary analysis which could change over time due to continued investigation, actual remediation actions performed, future regulator rulings, changes in costs of goods and services, changes in remediation technology, or changes in laws and regulations governing the remediation effort.

There are also potential environmental issues associated with the purchase of the 26 acre Riviera Hotel and Casino site and improvements. The building is expected to be demolished and the environmental remediation will be incorporated into the demolition plan. At this time the LVCVA does not have a measurable estimate of the cost of remediation. Voluntary remediation capital costs will be capitalized when preparing the land for its intended use. Therefore, a pollution remediation liability has not been accrued.

In August 2015 the LVCVA board approved a budget of $42 million for the demolition and clearing of the Riviera land. The process will include the investigation, remediation planning, disposal and abatement of all hazardous material from the structures and site in accordance with all State and Federal regulations, statutes and laws.

NOTE 14. ROOM TAX REVENUE:

Revenue for the LVCVA is primarily provided by a 10%-13% room tax imposed on lodging establishments in Clark County, Nevada. The division of this tax is presented below:

	Total	LVCVA	Clark County School District	Clark County Transportation	Taxing Entity	State of Nevada
Resort hotels	12%-13%	5%-6%	1 5/8%	1%	0%-1%	3 3/8%
Other hotel and motels	10%-13%	2%-5%	1 5/8%	1%	0%-2%	2 3/8% - 3 3/8%

As provided for by NRS 244A.645, up to 10% of the total room taxes and gaming fees received by the LVCVA may be paid back to the county and incorporated cities. The LVCVA has an agreement with these entities that determines the individual split of these amounts collected, which cannot exceed 10% of the total amounts remitted to the LVCVA. The total recognized as other community support was $24,185,371 in FY 2015.

REQUIRED SUPPLEMENTARY INFORMATION

SCHEDULE OF FUNDING PROGRESS

Postemployment Benefits Other Than Pensions

SCHEDULE OF SHARE OF NET PENSION LIABILITY

Pensions

SCHEDULE OF SHARE OF NET PENSION LIABILITY

Pensions

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES BUDGET AND ACTUAL

General Fund

This fund is the primary operating fund, which accounts for the accumulation of financial resources of the LVCVA; except for those required to be accounted for in a separate fund.

Valuation Date	Actuarial Value of Assets	Actuarial Accrued Liability (AAL)	Unfunded Actuarial Accrued Liability (UAAL)	Funded Ratio	Annual Covered Payroll	UAAL as a Percentage of Covered Payroll
CCSF and HPN						
7/1/2010	---	$ 40,177,231	$ 40,177,231	0%	$ 28,609,549	140%
7/1/2012	---	40,159,887	40,159,887	0%	30,228,041	133%
7/1/2014	---	39,266,548	39,266,548	0%	33,467,565	117%
PEBP						
7/1/2010	---	$ 7,094,936	$ 7,094,936	0%	N/A*	N/A*
7/1/2012	---	6,363,081	6,363,081	0%	N/A*	N/A*
7/1/2014	---	5,386,309	5,386,309	0%	N/A*	N/A*

* PEBP is a closed plan; and therefore, there are no current employess covered by the PEBP.

LAS VEGAS CONVENTION AND VISITORS AUTHORITY

Schedule of Proportionate Share of the PERS Net Pension Liability

For the Year Ended June 30, 2014, and the Last 9 Fiscal Years*

	2014
LVCVA proportion of net pension liability	0.54167%
LVCVA proportionate share of net pension liability	$ 71,228,022
LVCVA's covered employee payroll [1]	$ 34,581,656
LVCVA's proportionate share of the net pension liability as a percentage of LVCVA's covered employee payroll	49%
Plan fiduciary net position as a percentage of total pension liability	76%

[1] Covered employee payroll, as per GASB No. 68, includes payroll categories that are not consistant with statutory contribution requirements to the pension plan.

*Only one year of historical data available since this is the first year of GASB Statement 68 Implementation.

LAS VEGAS CONVENTION AND VISITORS AUTHORITY

Schedule of Contributions to PERS Pension Plan

For the Year Ended June 30, 2015 and the Last 9 Fiscal Years*

	2014	2015
Contractually required contribution	$ 8,204,400	$ 8,618,472
Contributions in relation to the contractually required contribution	$ 8,204,400	$ 8,618,472
Contribution deficiency	-	-
LVCVA's covered employee payroll [1]	$ 34,581,656	$ 36,496,833
Contributions as a percentage of covered employee payroll		24%

[1] Covered employee payroll, as per GASB No. 68, includes payroll categories that are not consistant with statutory contribution requirements to the pension plan.

*Only two years of historical data available since this is the first year of GASB Statement 68 Implementation.

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
Revenues:				
Room taxes and gaming fees	$ 223,550,000	$ 231,550,000	$ 241,045,645	$ 9,495,645
Charges for services	49,503,400	50,503,400	51,968,374	1,464,974
Interest and investment earnings	182,800	182,800	188,829	6,029
Miscellaneous	5,700	5,700	4,527	(1,173)
Total revenues	273,241,900	282,241,900	293,207,375	10,965,475
Expenditures:				
Current:				
General government	15,004,800	16,742,400	14,322,106	2,420,294
Marketing:				
Advertising	91,000,000	94,100,000	93,148,972	951,028
Marketing and sales	28,780,000	36,520,300	34,725,317	1,794,983
Special events	9,030,000	8,950,000	8,765,599	184,401
Operations	45,366,800	41,337,800	39,453,977	1,883,823
Community support :				
Other community support	25,633,900	23,655,000	24,104,565	(449,565)
Total expenditures	214,815,500	221,305,500	214,520,536	6,784,964
Excess of revenues over expenditures	58,426,400	60,936,400	78,686,839	17,750,439
Other financing sources (uses):				
Transfers in	81,500	81,500	132,853	51,353
Transfers out	(61,673,912)	(82,173,912)	(79,988,725)	2,185,187
Proceeds from the sale of assets	30,000	30,000	35,893	5,893
Total other financing sources (uses):	(61,562,412)	(82,062,412)	(79,819,979)	2,242,433
Net change in fund balances	(3,136,012)	(21,126,012)	(1,133,140)	19,992,872
Fund balances - beginning	34,720,321	34,720,321	34,720,321	-
Fund balances - ending	$ 31,584,309	$ 13,594,309	$ 33,587,181	$ 19,992,872

NOTE 1. POST-EMPLOYMENT BENEFITS OTHER THAN PENSIONS:

For the year ended June 30, 2015, no significant events occurred that would have affected or changed the benefits provision, size or composition of those covered by the other post-employment benefit plans, or actuarial methods and assumptions used in the actuarial valuation report dated July 1, 2014.

The actuarial accrued liability and unfunded actuarial accrued liability involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. These estimates are subject to continual revisions.

Additional information related to postemployment benefits other than pensions can be found in Note 11 to the financial statements on pages 42 through 45 of this report.

NOTE 2: PERS PENSION PLAN:

For the year ended June 30, 2015, no significant events occurred that would have affected or changed the benefits provision, size or composition of those covered by the pension plan, or actuarial methods and assumptions used in the actuarial valuation report dated June 30, 2014.

Additional information related to postemployment benefits other than pensions can be found in Note 10 to the financial statements on pages 38 through 42 of this report.

NOTE 3. BUDGET INFORMATION:

The accompanying general fund schedule of revenues, expenditures and change in fund balance presents the original adopted budget, the final amended budget and actual general fund data. The original budget was adopted on a basis consistent with the LVCVA's financial accounting policies and with accounting principles generally accepted in the United States. All amendments made to the original budget were as prescribed by law and similarly consistent.

Additional budgetary information can be found in Note 3 to the financial statements on page 28 through 29 of this report.

OTHER INFORMATION

Schedule of Expenditures Over Revenues Related to Cashman Center – General Fund

Charges for services revenue	2015	2014	2013	2012	2011
Facilities	$ 1,208,869	$ 1,100,855	$ 1,097,302	$ 1,074,060	$ 967,227
Parking	510,840	513,072	546,946	507,667	508,991
Event services	75,602	72,937	57,673	69,438	58,873
Income (loss), catering and concessions	70,768	55,487	42,774	36,267	(113,475)
Other	41,545	47,972	70,520	65,251	62,544
	1,907,624	1,790,323	1,815,215	1,752,683	1,484,160
Marketing expenditures					
Salaries and wages	252,992	258,415	272,483	203,117	224,046
Employee benefits	106,060	105,126	114,253	78,182	76,646
Utilities	3,700	3,500	3,440	2,360	2,800
Furniture and equipment, non-capital	780	1,571	563	188	3,886
Entertainment and travel	1,914	45	3,962	4,378	5,090
Supplies	1,284	2,306	1,332	1,442	1,832
Other	896	3,073	2,528	1,842	1,856
	367,626	374,036	398,561	291,509	316,156
Operations expenditures					
Salaries and wages	3,198,596	3,164,095	2,976,732	3,102,605	2,924,043
Employee benefits	1,263,299	1,310,543	1,196,028	1,176,464	1,116,208
Repairs and maintenance	218,267	252,836	228,179	249,987	211,725
Utilities	673,103	647,410	598,172	582,259	617,338
Furniture and equipment, non-capital	56,181	66,860	68,989	76,682	35,367
Entertainment and travel	1,878	2,603	110	1,231	100
Professional fees	36,031	40,244	35,431	42,175	30,786
Supplies	136,595	158,855	143,043	129,899	117,809
Other	26,460	23,690	22,828	27,870	27,848
	5,610,410	5,667,136	5,269,512	5,389,172	5,081,224
Total direct expenditures					
Salaries and wages	3,451,588	3,422,510	3,249,215	3,305,722	3,148,089
Employee benefits	1,369,359	1,415,669	1,310,281	1,254,646	1,192,854
Repairs and maintenance	218,267	252,836	228,179	249,987	211,725
Utilities	676,803	650,910	601,612	584,619	620,138
Furniture and equipment, non-capital	56,961	68,431	69,552	76,870	39,253
Entertainment and travel	3,792	2,648	4,072	5,609	5,190
Professional fees	36,031	40,244	35,431	42,175	30,786
Supplies	137,879	161,161	144,375	131,341	119,641
Other	27,356	26,763	25,356	29,712	29,704
	5,978,036	6,041,172	5,668,073	5,680,681	5,397,380
Expenditures in excess of revenues	$ (4,070,412)	$ (4,250,849)	$ (3,852,858)	$ (3,927,998)	$ (3,913,220)

LAS VEGAS CONVENTION AND VISITORS AUTHORITY
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